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State of Florida

THE FLORIDA PUBLIC
SERVICE COMMISSION

1983 - 84 REPORT

Public Service Commission

S1790-1

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1983 - 84 REPORT

Copies of this report can be obtained from the Florida Public Service Commission, Consumer Affairs Department, 101 E. Gaines Street, Tallahassee, Florida 32301.

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THE COMMISSIONERS

The Public Service Commission's five Commissioners are appointed to four year terms by the Governor from selections presented to him by a nominating council. The commission was changed from an elective to an appointive board and expanded from three to five members by the 1978 Legislature.

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GERALD L. GUNTER

Commissioner Gunter, who is the current Chairman of the Commission, was appointed by Governor Askew and took office in January, 1979. He was reappointed by Governor Graham to another four-year term beginning in January, 1983. Gunter has a masters degree in management and is a former city councilman of Titusville.

JOSEPH CRESSE

Commissioner Cresse, of Tallahassee, was appointed by Governor Askew in 1979, and was reappointed by Governor Graham to a second four-year term beginning in January, 1983. Cresse was formerly Assistant Secretary of the Florida Department of Administration and State Budget Director. He has a degree in accounting.

JOHN R. MARKS

Commissioner Marks, a native of Miami, was appointed by Governor Graham in March of 1979. He was reappointed to a second term ending December 31, 1985. Marks, an attorney, was formerly a hearing examiner with the commission.

KATIE NICHOLS

Commissioner Nichols was appointed by Governor Graham and took office on January 2, 1981. Ms. Nichols became interested in utility regulation and began studying the PSC and attending the commission's hearings and meetings several years before she was appointed to the commission.

SUSAN W. LEISNER

Commissioner Leisner, who is from Tampa, was appointed by Governor Graham and took office on February 16, 1981. She was subsequently reappointed to a four-year term ending December 31, 1985. Ms. Leisner is a chartered financial analyst, has a MBA and has been a writer for several financial publications.

A RATE CASE - WHAT'S INVOLVED

Although rate case activity during 1983 did not approach 1982, when all major electric and gas companies as well as seven telephone companies requested rate increases, the PSC did handle major rate increase requests from Tampa Electric Company and Southern Bell. Six gas rate cases were also handled during the year, and Florida Power and Light Company filed a $455 million rate increase request near the end of the year. The following is a brief description of what is involved in a rate case.

* * *

The Public Service Commission, under state law, has the responsibility for regulating the rates and service of investor-owned utilities in the state. Florida Statutes direct the commission to set rates for regulated utilities which allow the companies the opportunity to earn a reasonable rate of return on the investment used in serving the public.

When a utility requests a rate increase, the company is required to file extensive information concerning its operations, expenditures, assets, etc. Under Florida law, the commission has eight months to take final action in the case.

Public hearings are held in major cities in the service area of the utility so customers can comment on the rate increase request and the service they receive.

Hearings are also held in Tallahassee in which testimony is heard on all aspects of the company's operations and on the information filed in support of the rate case. The commissioners, staff, and intervenors cross-examine witnesses and request additional information as necessary. The commission staff, after evaluating all testimony and evidence in the case, makes a recommendation to the commissioners on what increase, if any, the utility is entitled to. The commissioners then go over each separate issue in the case, and make decisions on the amount of increase, the rate of return, how the rates should be structured, etc. Any utility expenditures which are determined to be unnecessary or improper are not included in the rates.

After the commissioners vote on the case, an order is issued outlining the decisions and setting the maximum rate of return the company is allowed to earn on its investment. The commission staff then monitors the company's earnings in a continuing surveillance program to insure that the company does not exceed the maximum allowable rate of return. Also, the allowed rate of return does not guarantee that the utility will actually earn that rate of return.

THE FLORIDA PUBLIC SERVICE COMMISSION IN 1983

The commission was created by the Legislature in 1887 as the Florida Railroad Commission. Its primary purpose was the regulation of railroads. Regulatory authority was added over the years to include telephone companies (in 1911) and electric utilities (in 1951). The title of Florida Public Service Commission was designated in 1965. Regulatory authority in 1983-84 includes areas of the electric, telephone, railroad, water and sewer and natural gas industries.

Among the major issues facing the Florida Public Service Commission in 1983 were those related to the dramatic changes in the telephone industry. Dealing with the deregulation of telephone terminal equipment, increased long distance calling competition, the divestiture of AT&T, establishing access charges, providing input to Congress on legislation affecting telephone service, and handling the many other telephone issues took much of the commission's time during the year. The following is a summary of these and other major activities of the commission during 1983.

* * *

CHANGES RESULTING FROM DEREGULATION & DIVESTITURE

Much of the action required by state regulators during 1983 resulted from rulings by the courts and Federal Communications Commission changing the nature of telephone service.

In years past, customers could only use terminal equipment leased from their telephone company. Later, equipment could be purchased from other companies and used as long as it was registered with the FCC. The year 1983 ushered in the new era in which, eventually, all telephone equipment will have to be purchased. The change is the result of the FCC's Computer II decision, and it was up to the Florida PSC to implement a smooth transition within the state.

During 1983, much equipment previously supplied by the telephone company under lease was no longer available to new customers through lease agreements. New business customers wanting key equipment or other specialized service equipment began, in many cases, having to purchase that equipment. This is because of the transition to complete deregulation of terminal equipment.

Companies had to continue to lease only that equipment in stock as of January 1, 1983. As that stock was depleted, customers began having to buy telephone equipment. The Florida PSC thought that, in order to ease the transition to total equipment deregulation, companies should continue to provide one basic instrument for lease through 1987. The PSC ruling on this "primary instrument" concept was appealed to the FCC by the Florida Telephone Association. The FCC overturned the commission's decision on the provision of a "primary instrument."

For the first time, Florida telephone companies also began selling in-place

telephone equipment. The commission approved tariffs for the prices of the in-place equipment, and required companies to send specific notification to their customers that the equipment was for sale, and why.

Also, customers got new options on maintenance of telephone equipment and wiring. With many companies, the customers could choose to pay an additional monthly charge to have their leased phones maintained by the phone company, or to have their wiring maintained, or they could choose to pay separately when maintenance was needed. The commission approved several plans of this nature, and also granted waivers to some companies on dividing up the maintenance options where it was not practical.

In addition, the PSC addressed the accounting procedures necessary to keep up with the changes in terminal equipment from regulated equipment to non-regulated.

Finally, one of the big changes in the handling of terminal equipment came from the divestiture of AT&T. On January 1, 1984, equipment previously belonging to Southern Bell was transferred to AT&T. Customers leasing or buying now have to deal with AT&T for equipment instead of Southern Bell.

Much of 1983 was spent working out the problems posed in Florida with the implementation of the court-ordered AT&T divestiture. In spite of predictions throughout the nation that local rates might double or triple, the Florida commission vowed to see that the change had as little an adverse affect as possible on customers in the state. Many of the decisions made in 1983 were aimed at seeing that customers did not see any large rate changes in local service charges.

The Federal Communications Commission approved access charges for the interstate long distance system beginning at $2 monthly on each residential phone bill, and $6 monthly on business bills. The charge was designed to apply to all customers, regardless of whether they made any long distance calls. The PSC disagreed with the FCC action, saying it was premature and unfairly applied, and argued before the FCC and congress against the charge. Subsequently, the FCC access charge implementation date was delayed until 1985.

Meanwhile, the Florida commission faced the task of setting charges for access to the intrastate telephone system. Extensive hearings were held, and the major phone companies in the state proposed access charges similar to those approved by the FCC.

The commission rejected the FCC philosophy, however, and said that the intrastate telephone access charges should not be billed at a flat rate to all customers. Instead, the commission said that the charges should be billed to long distance companies and users based on long distance calling.

But because of problems reprogramming computers to use this plan by January, the PSC had to implement an interim access charge plan. Under the plan, in-state long distance revenue will be divided between the 14 local telephone companies and AT&T. AT&T will have to return $320 million of its share of the long distance revenues to the local phone companies for access to the telephone system. The PSC will probably modify this system in 1984 so it will be more in line with its goals of billing those who access the long distance network according to their usage.

Although local rates are expected to increase nationwide, it is expected that deregulation and divestiture will increase long distance competition and as a result lower long distance rates. The commission has approved the applications of 35 companies wanting to resell long distance service within Florida since November, 1982, and has certified five companies who plan to build their own facilities and provide inter-exchange service.

The many changes in the telephone industry prompted inquiries from telephone customers throughout the state. In July

the commission published a pamphlet on "The Changing Telephone Industry" to help answer questions. Over 1,500 pamphlets were distributed in the first four months in response to customer requests.

OTHER TELEPHONE ISSUES

The commission continued its study into the various aspects of local exchange telephone pricing, and ordered numerous studies by the phone companies to provide data for use in making decisions on the best way to handle the pricing of local telephone service. The commission's study includes whether there should be county-wide extended area service, whether there should be toll-free calling from schools or county offices, how rate grouping should be handled, whether there should be local measured service, etc.

Just before the end of the year, the PSC ordered the phone companies to file implementable tariffs for what it called the "flower plan." Under the plan customers would have a flat rate pricing option, or could choose a measured service plan which provides for 30 calls under a lower flat rate and a charge of 10¢ per call after the 30 calls, and capability of calling contiguous exchanges.

The PSC continued studying numerous requests for extended local calling areas throughout the year. Hearings were held and traffic studies done in many locations, and the commission continued to process requests in accordance with rules adopted in 1981 for dealing with the EAS requests.

Extended service was approved between Molino, Cantonment and Pensacola; between Ft. White and Lake City; between Yankeetown and Crystal River; between Alford and Marianna; and between Altha and Marianna.

On December 31, 1982, Florida Telephone Corporation, Orange City Telephone, United Telephone and Winter Park Telephone consolidated into one company and now operate as United Telephone Company of Florida. The commission subsequently approved the consolidation of rates for three of the four companies.

The result of this consolidation was rates that are the same for customers of the former Florida Telephone, Orange City Telephone and United Telephone Companies. Some customers saw an increase in local service charges while others saw a rate decrease.

The local service rates for Winter Park Telephone were not made the same as for the other companies. However, charges for service connections and some other services were changed to equal those of the other companies.

The commission held hearings in Tallahassee July 6-8 to receive testimony and evidence in its investigation of coin telephone charges in the state. The PSC initiated the investigation to determine whether a uniform statewide coin telephone charge should be implemented, and if so, what that charge should be. There has not yet been a final decision on the coin phone pricing.

The commission did make a decision on the issue of whether alternative companies should be allowed to resell coin telephone service. Several companies in Florida asked the PSC about providing coin phone service as an alternative to the coin service offered by local telephone companies. The commission determined that such alternative local coin service would be a violation of Florida law, which does not allow the resale of local telephone service. The commission said local coin phone service could only be provided by alternative companies if there was evidence that the current service is inadequate.

A series of hearings was held around the state in 1983 on telephone services and equipment for hearing-impaired customers. The hearings in St. Petersburg, Jacksonville, Pensacola, Ft. Myers and Ft. Lauderdale were scheduled to gather facts from hearing-impaired persons, telephone companies, equipment vendors and others

regarding the types of equipment and services available for hearing-impaired customers, the charges for telecommunications devices for the hearing-impaired, whether discounts should be offered, and related matters.

Later in the year, the PSC required phone companies in the state to file tariffs providing for the sale or lease of certain telecommunications equipment for hearing-impaired customers. Previously, all companies in the state did not make equipment available for deaf customers. The PSC is continuing to study the problems of hearing-impaired customers, and is looking into whether they should receive discounts in local rates since their access to other telephones is limited.

In addition, the PSC's Consumer Affairs Department was equipped with a TDD device so hearing-impaired customers could call the commission toll-free with complaints, questions, or problems.

The commission has asked its staff to develop a plan for seeing that hotels and motels in Florida place the additional charges often made for telephone use in a conspicuous location. The commission has received complaints about the practice of motels making extra charges for phone use. The PSC said it did not want to regulate innkeepers, but thought customers should be clearly advised of the charges.

TELEPHONE RATE CASES

In spite of the fact that changes in the telephone industry are expected to increase local phone rates in the next few years, the commission handled only three telephone rate cases during 1983, two of those for Continental Telephone Company.

On November 23, 1982, Southern Bell filed a petition with the PSC requesting a rate increase of $404.1 million in additional annual revenues. The company also asked to put $178 million of the amount into effect as interim rates. Later, Southern Bell reduced its request to a total of $349 million, citing improved financial conditions.

The commission suspended the rates requested by Southern Bell on January 18, 1983. The PSC also determined that the utility was entitled to an interim rate increase of $72 million, after a review of the company's earnings showed that Southern Bell was not earning its last authorized rate of return. The interim rates increased most charges by 7.55%.

A final decision in the case was made in July. After seven months of study and more than two weeks of hearings, the commission determined that Southern Bell was entitled to a $114 million increase. This amount included the $72 million interim increase.

Local service charges did not increase as a result of the commission's decision because the increase was applied to other services. In fact, customers saw monthly bills decrease slightly because the interim increase was redistributed. Service connection charges increased, as did charges for operator services such as line verification and line interruption. Long distance charges for calls within the state in excess of 197 miles were reduced.

The commission reduced Southern Bell's return on equity to 15 percent and set an overall return of 10.18 percent as fair and reasonable.

In July, Continental Telephone Company requested a $1.6 million rate increase. The PSC made a final decision in the case, granting Continental a $725,000 increase. The rates approved increased one-party residential bills by $1.60 monthly. The new rates were effective December 1, 1983.

The Florida Supreme Court upheld a 1981 PSC ruling granting Southern Bell a $140 million rate increase. The commission's decision, which allowed Bell about half of the amount it had requested, had been appealed to the court by both the utility and the Public Counsel.

The court ruled the PSC's decision in the case was proper, and said the commission had the right to use projected test year data in setting rates. Southern Bell argued that the increase was not enough, while the Public Counsel said the projected test year was improper.

GAS RATE CASES

While there were not a large number of telephone rate cases during 1983, the commission handled the requests of six natural gas companies for increases.

Gainesville Gas Company requested a $918,387 rate increase in late 1982. The PSC granted the company an interim rate increase of $650,643 in November, 1982, and made a final decision in February, 1983. The final order granted the company a $507,242 increase by stipulation. The difference between the interim rates and the final rates was refunded to customers.

In September, 1982, Florida Public Utilities Company requested a $1 million rate increase to its gas customers. The company also asked for an $811,408 interim increase. The PSC approved a $725,736 interim increase in December, 1982. A final order in the case was issued on April 19, 1983, approving a stipulation. The total increase approved was $915,806.

Gulf Natural Gas also requested a rate increase in late 1982. On January 18, 1983, the PSC issued an order suspending the company's request for a $1,339,195 increase, and granting an interim increase of $780,716. In July, a stipulation was approved granting the company a total permanent increase of $572,861. The difference between the interim and final rates was refunded to customers.

On May 2, 1983, Peoples Gas System filed a petition requesting a $12,102,111 rate increase. The commission granted the company a $3,360,776 interim increase in July, and made a final decision in the case in November. The final increase approved for the company was $6,326,005, effective for meter readings taken on and after November 5, 1983.

In October, 1983, the PSC suspended Miller Gas Company's request for a $475,565 rate increase so the case could be fully investigated. The utility was granted an interim increase of $273,770. The interim rates were effective November 17, 1983, and increased residential bills by about 25 percent.

Gas rate cases continued to be filed, with South Florida Natural Gas requesting a $258,651 increase on October 17, 1983. The company asked to put the entire request into effect as interim rates. On November 6, the commission granted the company an interim increase of $217,627. The interim rates, which increased residential bills by about 25 percent, were effective for meter readings taken on and after January 5, 1984.

ELECTRIC RATE CASES

During 1982, four electric rate cases were filed. All but one of the cases were decided in 1982, but a final decision in Florida Power Corporation's case was not made until late January, 1983.

In that case, the utility had requested a $169 million increase. After seven months of study and two weeks of hearings, the PSC determined that Florida Power was entitled to a $111.7 million increase. The final amount included a $33 million interim increase. The new rates were effective February 27, 1983. The overall rate of return was set at 10.1%, with a return on equity of 15.85%.

The new Crystal River coal plant which went into operation in December 1982 was included in the rate base and accounted for most of the rate increase. The PSC determined that the plant was a prudent investment.

In late 1983, Florida Power Corporation filed a request with the commission for a

1984 test year for a new rate case. The company filed a request for a $138 million increase in early 1984.

In March, 1983, Tampa Electric Company filed a request with the PSC for an $80 million rate increase. The utility said the increase was necessary because of low earnings and the company's billion dollar construction program. TECO asked to put $26 million of the amount into effect as interim rates. An interim increase of $3 million was granted effective June 16.

On November 7, 1983, the PSC issued a final order in the case, granting TECO a $23.5 million rate increase, less than 30 percent of the amount requested. The overall rate of return was set at 9.7 percent, and the return allowed on equity was reduced to 15.5 percent. The rates were effective November 16, 1983.

During 1983, the PSC handled Florida Power & Light's request for a supplemental $265,013,000 rate increase.

FP&L's previous rate case, decided in late 1982, did not include a return or operating expenses for the company's new St. Lucie nuclear plant since it was not yet in operation. The commission's order in the case said that "failure to recognize in rates, after the plant is placed in service, the approximately $1.4 billion investment in St. Lucie Unit No. 2 could have disastrous financial consequences for FPL in a short period of time," and that "requiring FPL to initiate another full revenue requirements case merely to place this plant in rate base would involve both significant regulatory lag and substantial amount of unnecessary rate case expense to the detriment of both the utility and its customers."

Therefore, the inclusion of St. Lucie No. 2 in the rate base was handled as a supplemental request to the utility's 1982 rate case. The commission held hearings April 11-15, 1983, and issued a final order on August 9.

The commission granted the utility a $237,816,000 rate increase for the plant, with the new rates to take effect 30 days from the date the plant was placed into operation. The rate increase was largely offset by lower fuel costs due to the less expensive nuclear generation. The new rates, which were effective September 7, 1983, raised the 1000 kilowatt hour residential bill by only 63¢.

In considering FPL's request, the PSC established a "performance factor" for the nuclear plant. FPL estimated that the plant will provide power at 89 percent of its rated capability during its first year of operation. The commission's performance factor provides that the utility will be penalized $1 million for each 1% shortfall from that estimate (up to $14 million maximum). The factor also allows FPL to recover an additional $1 million of revenue for each 1% of capability that exceeds the 89% estimate (maximum $10 million).

The Florida Supreme Court upheld the PSC's 1981 decision allowing FPL a $257 million rate increase. Issues in the case had been appealed by the Public Counsel and the utility. FPL had originally sought a $456 million increase. The court agreed with the commission that the final decisions in the case balanced the interests of FPL with its ratepayers.

On November 23, 1983, Florida Power and Light filed a request with the PSC for a total of $455.5 million in rate increases. The company asked for a $335 million increase for 1984, with $63.9 million of that amount put into effect as interim rates. The utility also said it would need additional rates of $120 million on January 1, 1985.

FPL said the rate increase was necessary since its last increase was based on 1982 conditions and will not allow the company to earn a reasonable return for 1984 or 1985. The utility requested a rate of return of 11.18 percent. The rate of return established in the company's 1982 rate case was 10.83 percent.

The rates requested by FPL would increase the average 1000 kwh residential bill by about $10 in 1984. The adjustment

requested in 1985 would raise bills by an additional $3. The company also asked for a flat per kilowatt hour charge instead of the present inverted rate, a request that was denied in the 1982 case.

A final decision in the case is expected in June, 1984.

ELECTRIC ISSUES

On January 1, 1983, electric utilities implemented a new billing format in response to a rule adopted by the PSC in 1981.

The new format provides more detailed cost and usage information on bills, requiring companies to list components of the bill separately so the customer will have the ability to compute his own bill and verify its accuracy if he desires.

The new billing also lists the average daily kilowatt hour consumption for the current period on the bill, and the average daily consumption for the same period in the previous year. This information was included to allow customers to compare consumption and help in conservation efforts.

Conservation continued to be in the forefront with the PSC and Florida utilities, and the commission continued to monitor the progress utilities were making in meeting the conservation goals set for the state.

Over 350,000 Florida homes have been audited for energy efficiency, and conservation in the state has saved Florida customers more than $6 billion so far by cancelling or delaying the construction of new power plants. Conservation programs in the state have cost less than $150 million, making the programs cost effective.

Several utilities continued to make slight modifications or changes in their conservation programs, with commission approval. Florida Power expanded its load management program to include business customers. Customers who choose the program receive a credit on monthly bills for allowing Florida Power to control the use of air conditioners and certain other appliances which contribute to peak load. There are about 40,000 residential customers participating in the program.

The commission also expanded loan guarantees for some companies participating in the loan guarantee program for energy conservation improvements.

Much time was spent by conservation personnel during the year in revising and making more stringent the Model Energy Efficiency Building Code. The commission felt the code for new homes needed to be made much tougher.

A new code, supported by the PSC and the Department of Community Affairs, was proposed. The Florida Homebuilders Association challenged the new regulations, saying the tougher energy conservation standards required would cost new home buyers from $500 to $2000 more.

Later, the Homebuilders Association dropped its challenge, and the new code is scheduled to take effect in April, 1984.

The new standards are expected to reduce energy consumption in new homes by as much as 50 percent, and will repay homeowners for the additional cost within seven years through energy savings. By applying the stricter standards to the more than 150,000 new homes built in Florida each year, it is expected that the need for new power plants can be substantially reduced.

RULEMAKING

The PSC adopted a rule that requires regulated utilities to make more information available to customers during a rate case. The rule says the utilities must place detailed information on the case for inspection at utility offices in cities where hearings will be held, and provide a synopsis of the case to county libraries and city and

county offices. The new rule also sets out requirements for notifying customers of rate requests, hearings, and final decisions in the case.

A rule that gives customers the option of arranging for utility meter tests with an independent meter testing firm was adopted. Previously, the meter had to be tested by the utility only.

The commission concluded the long-discussed issue of city surcharges by adopting a rule that permits city electric utilities to levy a surcharge on the bills of customers who reside outside the city limits, as long as the surcharge does not exceed the amount of utility tax charged to in-city residents.

The commission had been studying the surcharge issue for some time, and decided that the new rule would resolve the matter fairly by seeing that customers were charged equally without requiring cities to go through unnecessary ratemaking procedures.

In related action, the City of Tallahassee's appeal on the surcharge issue was decided by the state Supreme Court. The court ruled that the commission acted properly in the case involving the City of Tallahassee, and said that the proposal to allow surcharges equal to the city tax was reasonable.

A rule increasing the amount of interest paid on utility deposits placed by businesses was approved. Previously, regulated utilities paid 8 percent interest on all deposits. Residential deposits are required to be refunded after prompt payment is established, but utilities do not have to refund commercial deposits. The new rule approved by the PSC requires the utilities to pay 9 percent interest on commercial deposits after 25 months. The commission will review the interest rate during utility rate cases to see if it should be increased or decreased.

The PSC asked the staff to draft rules that would require regulated utilities to pay interest on refunds if customers are over-charged because of the utility's error. The commission said it thought the interest should be at the commercial paper rate.

EXECUTIVE DIRECTOR

David Swafford

The executive director is, essentially, the chief of staff of the commission with general responsibility over the technical and administrative operations of the commission. He coordinates the activities of the departments, is responsible for the implementation of commission policies, arranges hearings and conferences, and makes recommendations for the development and articulation of policy questions. The executive director serves with the general counsel in coordinating inter-agency and legislative liaison, and consults with and advises the commission on economic and governmental matters.

* * *

The office includes two deputy executive directors. William Talbott is deputy director over the technical departments, including the Communications, Electric and Gas, Water and Sewer, Auditing and Financial Analysis, Research, and Rail Transportation departments. Jay McGlon is deputy director over the Administration and Consumer Affairs departments, the Commission Clerk, and the Office of Information Processing.

This division of executive duties helps to facilitate the flow and efficiency of the commission's workload, as well as providing the proper direction and leadership for the staff. Legislative and inter-agency liaison work is also done by the executive director.

Case Manager

A case manager, who reports directly to the executive director, was established by the PSC to aid in expediting the movement of docketed cases through the commission. The case manager is responsible for the planning and development of systematic procedures for handling and processing all cases and for the development of appropriate manuals depicting staff operating policies and systems. The case manager also assists in assignment of cases and reports to the executive director on the overall status of case load, especially on older or delayed cases.

* * *

As of December 31, 1983 the total number of open cases on hand at the PSC was 482. This year-end total is a reduction of 23 (4.5%) below the previous year's figure of 505.

New cases opened in 1983 totalled 601, an increase of 46, or 8.3%, over the 555 opened in 1982. In addition to the new cases, 24 formerly closed cases were reopened. The commission disposed of and closed 648 cases in 1983. This is 163 (or 33.6%) more than the 485 cases closed in 1982.

There were 66 cases more than two years old the end of 1983, up from 57 at the end of 1982. This increase of 9 old cases occurred in the Monitor and Litigation categories. Active cases over two years old totalled 35 at the end of both years.

GENERAL COUNSEL

William Bilenky

The Office of the General Counsel is responsible for the legal functions of the commission. There are two areas of responsibility, the General Counsel/Advisory section and the General Counsel/Legal section.

The Advisory section, headed by Susan Clark, has the responsibility for providing indirect legal services and advice to the commissioners. It prepares notices, recommendations and orders; attends hearings; participates in matters before state and federal courts; promulgates rules and regulations; and acts as inter-agency and legislative liaison in cooperation with the executive director.

The General Counsel/Legal section is headed by Roger Howe. This section provides direct legal services and represents the staff in proceedings before the commission, Division of Administrative Hearings, and the Circuit Courts.

* * *

General Counsel/Advisory

In 1983, the commission took action on 97 rules. The validity of three rules was challenged before the Division of Administrative Hearings, however the commission was successful in defending against those challenges, thus demonstrating the validity of the rules.

The level of contract activity remained constant in 1983. Substantial outside services were contracted for to assist the commission in the development of issues relating to setting the access charges.

During 1983, 21 appeals of commission orders were initiated; 4 related to telephone companies, 11 to electrics, 5 to water and sewer companies, and 1 to railroads. On the 16 appeals which were closed in 1983, 10 were affirmed, 1 was affirmed in part and reversed in part, 4 were voluntarily dismissed and 1 was reversed. Currently there are 24 open appeal dockets.

Legislation over the past year changed the law relating to the telephone and electric industries. Telephone legislation, in addition to clarifying several existing sections, adopted a new method of calculating directory advertising revenues for rate making purposes. Under the new statute, directory advertising revenues are to be allocated between the regulated and non-regulated aspects of a company's operation based on the 1982 advertising revenue level, adjusted each year by the Consumer Price Index and customer growth. Revenues over this amount are not to be considered by the commission when establishing rates, except that two-thirds of a company's directory revenues shall always be included for rate-making purposes.

Electric industry legislation established a limited proceeding by which the commission could address only one issue affecting rates rather than conducting a "full blown" rate case. The commission was also given the authority, in rate case proceedings, to approve incremental adjustments in rates to be implemented over a period of time.

There has been a significant amount of activity in the telecommunications area, both on the state and federal level. The commission has assumed a dominant role in shaping legislative, regulatory, and judicial policies for the new telecommunications market place. Specific areas of involvement were:

1. Liaison work with Congress leading to House passage of H. R. 4102, the Universal Telephone Service Preservation Act of 1983. This is the first major telecommunications legislation passed by

the House in 50 years. The commission also worked with members of the U. S. Senate on S. 1660, the companion to H. R. 4102.

2. The commission continued to be an active participant during 1983 in the AT&T Divestiture and Plan of Reorganization proceedings in Washington. Participation included the filing of briefs and presentation of oral argument before Judge Greene on behalf of the commission and the National Association of Regulatory Utility Commissioners. On the state level, the commission has an active docket to monitor the impact of divestiture on local telephone rates.

3. Participation in major federal court proceedings was also handled by the advisory staff. These proceedings included Federal preemption of depreciation rate setting and the imposition of interstate access charges. Decisions in both of these cases, which have not yet been rendered, will have a major impact on the cost and quality of telephone service in Florida and the commission's ability to set local rates in the future.

4. Several other Federal Communications Commission proceedings have also been the object of commission participation. These include proceedings on access charges, depreciation rates, station connection, accounting, and deregulation of customer premise equipment.

As a result of the commission's substantial involvement in the telecommunications area, the commission has become a valuable information source for both the public and professionals in Florida and throughout the nation on issues arising in the telecommunications area.

Other federal court proceedings not involving telecommunications were also handled in 1983. A commission decision, upheld in the Florida Supreme Court, was appealed to the U. S. Supreme Court. The case involved a territorial dispute between Escambia River Electric Cooperative and Gulf Power Company, which the commission resolved in favor of Gulf Power. The U. S. Supreme Court denied certiorari, the ultimate effect of which was to uphold the commission's decision.

Pending in the 11th Circuit is the commission's appeal of an Interstate Commerce Commission (ICC) order. That order required Florida to exempt all rail traffic from intrastate regulation that the ICC had exempted at the interstate level. The commission believes this condition exceeds the ICC's statutory authority.

Finally, on the state level, the commission worked with the Department of Community Affairs in updating the Model Energy Code through the rulemaking process. The rule reflects an average of 50% reduction over a two-year period in the Energy Performance Indicator of the code. This reduction, along with legislative work started at the end of the year on establishing energy standards for appliances, represents a significant step forward in energy conservation.

General Counsel/Legal

It was an exceptionally busy 1983 for the telecommunications section of the Legal Department because of the restructuring of the telephone industry brought about by FCC decisions to replace the traditional division of revenues process with access charges and the Modification of Final Judgment (MFJ) issued by the U. S. District Court which resulted in the break-up of the Bell System.

Florida, unlike other states, chose not to mirror the FCC access plan for intrastate purposes. After numerous workshops and lengthy hearings in which the Legal Department had to organize and assimilate thousands of pages of documentary evidence, we produced a complex order which has been distributed nation-wide. Legal staff also participated in a presentation of Florida's access plan to the members of SEARUC.

On January 1, 1984, the break-up became reality with Southern Bell and AT&T becoming separate, unrelated telephone companies. To accommodate that reality, the Legal Department assisted in the certification process of AT&T Communications of the Southern States, Inc. as an independent interexchange inter-LATA telecommunications service provider within Florida.

The AT&T certification was only one of several intrastate interexchange telecommunication service providers certificated this year. The Legal Department further assisted in the implementation of commission policy to promote competition in the long distance telephone market by also issuing certificates to MCI Telecommunications, Inc., and Sprint Communications Corporation. The Legal Department has processed over 30 applications for authority to resell WATS and MTS.

For the Electric and Gas Section of the Legal Department, 1983 was a year marked by rate cases and innovative dockets. In the electric utility area, rate cases were concluded for Florida Power Corporation, Gulf Power Company and Tampa Electric Company. Additionally, the commission heard and concluded a limited proceeding for the inclusion of the St. Lucie No. 2 nuclear unit in Florida Power and Light Company's rate base. Considerable commission time was expended on the rewriting of the cogeneration rules and on developing procedures for the implementation of those rules.

Assistance was provided in the ongoing projection and true-up hearing in the fuel and purchased power cost recovery, conservation cost recovery and purchased gas adjustment dockets. Substantial progress was made in establishing procedures for the recovery of costs associated with nuclear power plant decommissioning and the storage of spent nuclear fuel and the commission continued its ongoing work on electric utility "need" planning. During 1983, five gas rate cases were concluded and an additional two were being processed at year's end.

At the end of 1982 there were 58 pending water and sewer rate cases. This represents approximately 90% of the pending rate cases in the commission. Fifty-six water and sewer rate cases were completed during the calendar year. In addition to the rate cases, the Water and Sewer Section of the Legal Department processed 112 price index or pass-through notices which all resulted in rate changes. This case load occupies most of the time of the attorneys assigned to the Water and Sewer Section. The remainder of their time is spent on certificate cases which may involve original, grandfather, or extension of territories. During 1983, 108 certificate cases were completed and at the close of the year there were 42 pending.

Contributions-in-aid-of-construction continues to be an area of concern and, therefore, requires significant time and resources. The commission's objective is to require service availability policies which result in CIAC levels of at least 25%, but no more than 75%. Implementation of this objective is being done on a case-by-case basis and this has complicated rate case proceedings.

ADMINISTRATION DEPARTMENT

James Ward, Director

The Administration Department has overall responsibilities throughout the commission in areas of internal administration, including accounting, personnel, budgeting, planning, purchasing, commission-owned automobiles, duplicating, mail distribution, and leasing of office space, equipment, etc.

* * *

Administration consists of several sections, each handling a specific area of responsibility. The fiscal section operates a centralized accounting office and keeps detailed accounting records for the entire PSC. This section is responsible for disbursements and collection of revenue for the commission. The section prepares payrolls, and audits and codes all travel reimbursement vouchers, purchase orders, and invoices for payment.

The personnel section administers all actions regarding recruitment, employment, pay, attendance and leave to ensure the proper application of state personnel rules and regulations.

The PSC has enhanced the affirmative action program, advanced recruitment efforts, and also has established some sound training programs. The personnel office sends job opportunity announcements to other state agencies, state employment services, and universities, as well as to minority-oriented organizations and publications.

The office services section provides mail and duplicating services. In 1983, the commission spent approximately $4,189 per month for postage, compared to an average of $4,471 in 1982. The commission print shop produced 3,442,658 copies.

The budget and planning section is responsible for overseeing the commission's legislative budget request during the entire fiscal cycle, including preparation, various stages of review and approval, appropriation, implementation, and monitoring.

Although the commission operates on a budget which must have approval of the legislature, actual funding for the agency is through a regulatory trust fund which is made up of fees derived from licenses and taxes on regulated businesses.

The commission has approximately 300 staff members and operates on a $13 million annual budget.

AUDITING AND FINANCIAL ANALYSIS DEPARTMENT

Scott Wilson, Director

The Auditing and Financial Analysis Department serves as the principle advisor to the commission on matters pertaining to taxes, capital recovery, and finance. The department performs audits, issues reports on regulated utilities, and is the official custodian of the annual reports required to be filed by the regulated utilities.

* * *

Auditing and Financial Analysis is the largest department the commission has, consisting of 65 staff members, of which 15 possess CPA certificates, 6 are MBA's and 7 hold MS or MA degrees. Offices exist in Tallahassee, Orlando, Tampa and Miami.

During 1983, the Management Studies Section of the Auditing and Financial Analysis Department completed two management audits and continued its implementation monitoring responsibilities for two audits completed in prior years. An audit of Tampa Electric Company was completed and 92 recommendations were developed. The audit is now in the implementation phase along with prior audits of Central Telephone Company and Florida Power Corporation. The latter is scheduled for completion in early 1984. The audit completed in 1983 was of Gulf Power Company and is scheduled for publication in early 1984. The audit produced 64 recommendations in the areas of customer service, power production, and transmission and distribution.

The professional development program to educate commission staff in forecasting techniques which was initiated last year by the department has met the challenge of major utilities who continue to file for rate relief using recent Florida Statute changes that authorize forecasted test year data.

Audit retrieval software became routine with applications in the audit of regulated company records for conservation cost recovery, rate case, and other special programs. This emerging tool has increased the depth and accuracy of the field audit staff without a corresponding increase in staffing levels.

THE COMMISSION CLERK

Steve Tribble

The Commission Clerk receives and processes all formal matters filed with the commission and keeps the official records. The clerk maintains permanent record books, records the minutes and formal orders of the commission, maintains records on the current status of all pending proceedings, prepares and issues notices of all hearings, arranges hearing sites, and serves all orders. The clerk also assigns docket and order numbers for all proceedings before the commission.

* * *

The job of Commission Clerk is similar to that of a circuit court clerk. Just as the commission's rules of practice and procedure are patterned after those of the circuit courts, the records are kept on a docket filing system much like court cases are filed and placed on a court docket.

Each new filing for commission action is assigned a docket number and a file is established.

After a case is filed, card file records are kept showing the daily activity of work and correspondence.

As new correspondence and legal pleadings are received, the cards are posted as to date, type of filing, names of attorneys and other data. There were 482 active cases in December, 1983.

As official custodian of the records, the commission clerk maintains control of the central file room. Files are checked out to the various departments during the period they are active and are eventually stored as permanent records. After several years, files are sent to the state archives for storage.

Orders of the commission are mailed to participants in the various cases and to required utilities. Copies are filed in the docket files and printed loose-leaf pages are placed in the order books, known as the official record of the commission.

The commission clerk is responsible for arranging hearing sites, scheduling court reporters for hearings and issuing notices of hearings. The clerk also prepares the agenda for commission conferences and circulates copies to the staff and other interested parties.

The Commission Clerk's office opened and handled 601 new dockets during 1983, and processed 10,676 documents in conjunction with these dockets, other open dockets, and administrative matters. Thirteen records of dockets on appeal were prepared and filed in the courts. A total of 36,596 pages of transcript were prepared, and reporters attended 239 days of hearings. In all, clerk's office personnel attended a total of 312 days of hearings, agenda conferences, oral arguments, and internal affairs meetings. Decisions on 848 docketed matters were processed, with 1,318 orders issued during the year.

COMMUNICATIONS DEPARTMENT

Walter D'Haeseleer, Director

The Communications Department is responsible for providing technical information, advice and assistance in the accounting, engineering and rate areas regarding the regulation of telephone rates, services, and construction programs. In formal proceedings, the department provides analysis of expert testimony and exhibits, develops cross-examination and direct testimony, and prepares recommendations concerning the disposition of matters before the commission.

* * *

Much of the department's workload during 1983 was related to the deregulation of many telephone services, the introduction of more competition into the telephone industry, and matters related to the AT&T divestiture.

Prior to the divestiture of AT&T, the only companies providing long distance intrastate service in Florida were participants in the separations and settlements process. With the introduction of intrastate competition among companies such as MCI and Microtel and the divestiture of AT&T which created the interexchange carrier known as AT&T Communications of the Southern States, access charges were needed effective January 1, 1984. A substantial portion of the Communications Department's 1983 effort was devoted to the establishment of access charges. Because of the heavy emphasis on development of access charges, the Florida commission has been one of the nation's leaders in analyzing this complex issue.

Access charges for intrastate service were ordered and implemented to be effective January 1, 1984. The access charges approved minimize disruption for customers while providing an opportunity for local exchange companies to maintain reasonable earnings levels without increasing local rates. The commission maintained uniform toll rates statewide at their existing level and, contrary to the interstate access charges, established charges which are paid by interexchange carriers and do not contain a flat rate charge to the end user.

During 1983, workshops were held to develop a plan for more uniformly pricing local exchange telephone service in Florida. As a portion of the study, the telephone companies performed an extensive study to evaluate the impact of various alternative methods of pricing local exchange service. The results of this study and a staff recommendation were presented to the commission in late December. Staff is currently in the process of working with the telephone companies so that they can file implementable rates for commission consideration.

By the end of 1983, the commission had certificated 32 interexchange carriers. Of those interexchange companies, AT&T Communications of the Southern States, Microtel, MCI Telecommunications Corporation and GTE Sprint Communications had been authorized to provide interexchange service, not just on a resale basis, but also by use of their own facilities.

Three rate cases were handled during the year. Two of these cases were for Continental Telephone Company of the South - Georgia, and Continental Telephone Company of the South - Florida. The only major rate case during the year was that for Southern Bell Telephone & Telegraph Company. This case was unusual because of the fact that divestiture was pending and there was considerable discussion on the issues of what expenses, revenues and investment would not continue after the divestiture.

The department participated in six extended area service hearings in 1983 and conducted surveys on nine routes. Five of

these routes met threshold traffic levels for requiring extended area service, and four routes did not meet minimum calling requirements.

Several extended area service dockets were placed on a "hold" status by the commission. They will be considered in the commission's overall study of local exchange pricing.

Extended area service cases were in the following status at the end of 1983.

Awaiting traffic studies	2
Traffic studies complete	2
Being monitored	13
Dockets ordered closed	6
EAS ordered (by route)	10
Alternative EAS ordered (by route)	12
Open EAS dockets	25

During 1983, service evaluations were conducted using new "short notice" procedures adopted in late 1982. Service evaluations were made of Winter Park, Northeast, Southern Bell, St. Joseph and General Telephone Companies. In addition, a limited scope investigation was conducted at Continental Telephone Company in conjunction with their 1983 rate case.

The commission's legislative request for statutory authority to allow the operation of two cellular radio systems within one area was passed by the 1983 Florida Legislature, and the PSC staff is in the process of developing rules appropriate for the regulation of cellular radio systems.

The first cellular radio system to be in operation in Florida is expected to be the Miami system. Construction is complete and service is expected to start in early 1984 upon receipt by BellSouth Mobility of the appropriate licenses from the Federal Communications Commission.

Telephone Service Evaluation Results

A summary of the service evaluation results in percent of call completions for the period 1978-83 is as follows:

	1978	1979	1980	1981	1982	1983
Intra-Office Calls	99.6%	99.7%	99.4%	99.6%	99.6%	99.5%
Inter-Office Calls	99.8	98.8	99.6	98.9	100.0	99.3
Extended Area Service	99.1	98.6	99.0	99.1	99.1	98.6
DDD-Company	97.9	98.1	97.5	98.3	94.6	98.0
DDD-State	96.4	96.4	95.0	96.8	96.7	97.8

Viewing these results on an area code terminating basis reflects the following:

Area Code	1978	1979	1980	1981	1982	1983
305	97.1%	96.3%	95.7%	97.3%	96.6%	96.4%
813	97.1	97.6	96.2	97.7	97.2	96.9
904	96.4	96.6	95.9	96.9	96.3	97.1

CONSUMER AFFAIRS DEPARTMENT

George Hanna, Director

The Consumer Affairs Department has the primary responsibility for consumer relations and communications. This involves investigating and resolving consumer complaints, issuing news releases concerning commission decisions and studies, preparing statistical summaries on consumer complaint activity, developing educational presentations for consumer and civic organizations, preparing testimony for rate cases on complaint activity, and participating in or initiating other dockets on consumer matters.

* * *

During 1983, the Consumer Affairs Department handled a total of 53,760 complaints and inquiries, 9,151 of which were logged complaints investigated by the department.

The department operates a toll-free WATS telephone line for citizens with problems involving regulated utilities.

The department keeps track of the dollar savings to individual consumers resulting from Consumer Affairs investigation of complaints. During 1983, customers saved $117,593.20 in refunds and credits as a result of complaint action taken by Consumer Affairs. The majority of the savings were for telephone customers, with $81,189 of the savings in this area, and $32,457 saved for electric customers.

During 1983, the department prepared testimony and exhibits for introduction into four rate cases concerning complaint activity against the utility in question. The testimony included a breakdown of the types of complaints, whether or not the customer was justified in contacting the commission, and comparative figures with other companies in the same industry.

Consumer Affairs actively participated in drafting proposed rules requiring utilities to provide further information to customers during rate cases. The rules adopted by the PSC require companies to provide notification through timely bill stuffers, to place copies of the filing for inspection at business offices in cities were hearings are held, and to provide a synopsis of the case at each county library and at municipal and county offices.

The department continued to be active to expand public awareness of commission activities. It continued preparing a daily tape of PSC news for use by radio stations, putting the second WATS line to use during non-business hours by providing a toll-free number for radio stations to call and get a taped news or conservation item. Over 3,440 calls were received for the taped items during the year.

More than 2,300 copies of press releases and notices to the press were prepared and distributed. Publication of a monthly Consumer Bulletin giving details on commission actions was continued.

The Consumer Affairs Department also developed four new consumer publications during 1983. A booklet called "A Rate Case...Step by Step" was developed at the request of the commissioners to be available during rate case hearings to provide detailed information on how a case is handled. Two brochures on water and sewer rates and service were developed to distribute at water and sewer customer meetings. A new pamphlet on "The Changing Telephone Industry" was printed, and the department handled over 1,500 requests for it during the first four months after publication.

1983 LOGGED COMPLAINTS

Telephone	6002
Gas	410
Electric	2553
Water & Sewer	186
	9151

ELECTRIC AND GAS DEPARTMENT

Joe Jenkins, Director

The Electric and Gas Department is responsible for providing technical information, advice and assistance in the accounting, engineering and rate areas regarding the regulation of the electric and gas industries. The department is responsible in informal proceedings for analysis of testimony and exhibits, developing cross-examination and direct testimony, and preparing recommendations concerning the disposition of electric and gas matters.

* * *

Electric and Gas Department rate case activity was reduced in 1983 from the unprecedented four major electric cases in 1982. However, two major electric cases were processed in 1983. They were the incorporation of Florida Power and Light Company's new St. Lucie No. 2 nuclear generating unit into the rate base and a rate case filed by Tampa Electric Company using a partially projected 1983 test year. In addition, in 1983, five natural gas utility rate cases were completed. At year end, two major electric utility rate cases, those of Florida Power & Light Company and Florida Power Corporation, had just begun. Two natural gas utility rate cases were in various stages of completion.

A change was made in 1983 reducing the number of fuel cost recovery hearings from four per year to two per year. This was done by combining the true-up hearing for the last six month cycle with the projection for the next six month cycle. In addition, generic fuel procurement policy was established and two major fuel procurement investigations were nearing completion at year end. These are Gulf Power's Maxine Mine and Tampa Electric Company's Gatliff Mine. In conjunction with the Auditing and Financial Analysis Department, a review of Florida Power Corporation's Electric Fuels Corporation is continuing into 1984.

In conjunction with the projected fuel cost recovery clause cycle, a Generating Performance Incentive Factor (GPIF) was adopted in 1981. The GPIF provides utilities rewards or penalties, collected through the fuel cost recovery factor, for the degree of efficiency with which they operate their power plants. Every six months, targets are established for equivalent availability and heat rate for each generating unit and at the end of the period actual performance is compared to the targets. For the period October, 1980 - March, 1983 the utilities involved have been granted $6,884,000 in rewards through this program and have been assessed penalties of $1,781,000.

In January 1983, Electric and Gas Department personnel and representatives of the utility companies formed a task force to develop estimates, using a simulation model, of the energy consumption of homes with various Energy Performance Index (EPI) ratings. Following that effort, workshops and hearings were held which resulted in the adoption of a more stringent building code. The new code reduces the maximum EPI by approximately 50% which has the effect of increasing energy savings by approximately 30%.

During 1983, the Department of Housing and Urban Development (HUD) proposed a rule to set standards for the construction of manufactured homes which would reduce energy consumption. The commission supported this proposed rule and recommended only minor changes concerning the geographical boundaries of HUD mobile home regions.

The commission also recently approved a statewide program which ranks homes according to their energy efficiency with five-stars being awarded to the most efficient. The program was initially approved in May on a voluntary basis. At a final hearing in December 1983, Electric and

Gas Department personnel proposed that utilities offer a report on this program as part of their quarterly report on energy audits.

The Federal Residential Conservation Service (RCS) Program was implemented in Florida during 1981. In 1983, a significant change was made in Florida's program. The U. S. Department of Energy (DOE) requires states to maintain lists of suppliers and installers of energy conservation measures and of financial institutions that have expressed a willingness to make loans available for conservation measures. In response to a request from the Auditor General, the FPSC conducted a survey of utilities to determine the usefulness of the list. Findings showed that the list was being used only minimally. Accordingly, the FPSC requested and received the exemption from the DOE requirement.

A loan guarantee program mandated by legislation allows the PSC to use up to $5 million of its Regulatory Trust Fund to guarantee loans made by utilities or financial institutions to customers who purchase approved conservation measures. The PSC is required to retain reserves equal to 5% of the principal balances lent. This allows a potential of $100 million in guaranteed loans to be outstanding at any given time.

There are four utilities currently approved for participation in the loan guarantee program, and they have lent over $2 million. One of the utilities has contracted with a financial institution for servicing of their loans. To date, no financial institutions have submitted their own lending programs.

The Energy Broker, a wholesale power sales system, remains alive and well in Florida. Fuel savings realized through the operation of the Energy Broker System in Florida for the twelve-month period ending October 31, 1983, exceeded $65 million. Since inception in 1978, annual fuel savings have been:

1978	$16,502,000
1979	$22,195,210
1980	$43,250,786
1981	$62,164,045
1982	$64,154,245
12 months ending October 31, 1983	$65,142,462

The Expanded Broker concept is the current method of broker operation extended to include peninsular unit commitment scheduling for periods of up to seven days. Current energy broker operation requires the buying utility to have on-line generating capacity to replace the purchased megawatts should the selling utility experience a generating failure. With Expanded Broker operation, the backup generating capacity requirement would be assigned on a peninsular basis instead of a utility-by-utility basis. The potential savings, in dollars and oil, of assigning unit commitments on a peninsular basis are very large. Experimental Expanded Broker interchanges began in November, 1982. During the first year of operation, additional savings of approximately $10 million were achieved. The Expanded Broker interim system will continue to be monitored. Permanent implementation is scheduled for April 1, 1984.

Pursuant to Chapter 23.0191, Florida Statutes, Florida's electric utilities submit Ten Year Plans containing power generating needs and the location of proposed power plant sites to the Department of Community Affairs (DCA). DCA reviews "the need, including the need as determined by the Public Service Commission (PSC), for electrical power." The Ten Year Site Plans are tentative information only, and are subject to change at any time at the discretion of the utilities.

In 1983, the following ten utilities submitted Ten Year Plans:

Florida Power & Light Company	(FPL)
Florida Power Corporation	(FPC)
Tampa Electric Company	(TECO)
Jacksonville Electric Authority	(JEA)
Gulf Power Company	(GULF)
Seminole Electric Cooperative	(SEM)
Orlando Utilities Commission	(OUC)
City of Tallahassee	(TAL)
City of Lakeland	(LAK)
Gainesville-Alachua Regional Utilities	(GVL)

The 1980 Florida Energy Efficiency and Conservation Act (FEECA) led to a significant reduction in utility forecasts of peak demand and energy sales growth. A comparison of the utility forecasts in the 1983 Ten Year plans to the FEECA goals indicates that FPL, FPC, GULF, SEM, JEA, OUC and TAL are not projecting to meet their 1989 FEECA goals for KWH consumption; that FPC, SEM, JEA and OUC are not projecting to meet their 1989 goals for the summer peak; and that FPC, GULF, SEM, JEA, OUC, and TAL are not projecting to meet their 1988-89 winter peak FEECA goals. The PSC staff is studying these indications to determine if any formal action ought to be taken with regard to utilities that may not meet their conservation goals.

During 1983, the commission proposed new legislation to encourage the development and construction of small electric power producing resource recovery facilities by municipal and county governments. The proposed legislation would empower the PSC to require electric utilities in Florida to provide up-front project funding for governmentally owned resource recovery facilities which use solid waste as the primary source of fuel for the production of electricity. The up-front funding provided by a utility would be in the form of early payments for capacity to be delivered to the utility upon the commercial in service of the resource recovery facility. The maximum amount of funding would be equal to the cost of the electric generation and transmission equipment associated with the facility. Also, such funding would be allowed only to the extent cost effective to the utility's ratepayers.

OFFICE OF INFORMATION PROCESSING

Margaret Perry, Administrator

The Office of Information Processing is responsible for the coordination of the computer, word processing and data requirements of the commission. The office provides technical support to the commission in developing, selecting and maintaining computerized applications, software, microcomputer systems and word processing systems.

* * *

In the information processing area, 1983 was a very productive year, with new implementations or enhancements taking place on each of the five computing resources available to the commission.

The area of microcomputers showed the most significant amount of activity, including growth in the areas of the hardware and applications. Hard disk subsystems were added to three of the seven Xerox microcomputers, and all seven of them were upgraded to dual 8 and 16-bit processors, doubling their potential use. Also added were two new IBM PC/XT microcomputers in AFAD to support use of the Audit Analyzer on the IBM at Northwest Regional Data Center. These new hardware components allowed conversion of the Commission Clerk's Addressing System and implementation of the commission's new Management Information System on the micros. OIP also completed implementation of the Gross Receipts (Regulatory Assessment Fee) Tracking System on a Xerox 16/8 system. In addition to these in-house developed packages, each department now having a micro is utilizing the pre-packaged applications, such as spreadsheet capability, very heavily, and a micro training program is in full swing.

The commission's WANG Office Information System continues to be heavily utilized by all departments to the extent that it is now being expanded to include two smaller OIS-50 subsystems, providing some document storage and editing independence while still providing full access to the main system and its network of stations. The newest application on the WANG is the Order Index System which catalogues and cross-references all the commission's orders on multiple key fields to satisfy the statutory requirements.

Several systems were implemented or enhanced on Florida State University's large mainframe CDC computer. A major application was the Cost Comparison Data Base for Water & Sewer companies. Another, which was adopted from the Interstate Commerce Commission, was the Uniform Rail Costing System. The implementation of the Event Tracking System was completed, allowing the discontinuance of the Docket system and a subsequent reduction in computing costs. A major change in the operating system on the CDC resulted in a complete review and revamp of the program procedure files for all commission software using the CDC.

Another computing facility used by the commission is the large mainframe IBM system at Northwest Regional Data Center. The new Commission Case Management and Document Control system will be implemented there, joining the Audit Analyzer as our major application on that facility.

RAIL TRANSPORTATION DEPARTMENT

Rob Vandiver, Director

The primary function of the Rail Transportation Department is to make recommendations to the commission on the regulation of rail carriers. The department analyzes each rail tariff filing for consistency, timely filing and reasonableness of rates and rules. Protests and complaints from the public are considered and recommendations are made to the commission. Other departmental functions include investigation of service complaints and of maintenance of rail properties and facilities.

* * *

To regulate intrastate rail rates, the commission must be certified to do so by the Interstate Commerce Commission (ICC). In March of 1983, the ICC found that Florida had met most of the requirements for certification. The ICC required Florida to exempt all traffic from intrastate regulation that the ICC had exempted at the interstate level. The commission believed this condition exceeded the ICC's statutory authority and filed an appeal in Florida Public Service Commission v. Interstate Commerce Commission, et. al., Case No. 83-3268, 11th Cir.

Commission authority to regulate rail rates is scheduled for sunset review during the 1984 Legislative session. The commission voted to continue rail regulation and submitted legislation to the Legislature to continue regulation.

Railroad Filings for 1983

Tariff Filings	278
Contract Filings	75
Formal complaints	1
Informal complaints	5
Abandonments	1

RESEARCH DEPARTMENT

Mary Bane, Director

The Research Department is responsible for preparation of studies of policy alternatives, research to determine trends and conditions affecting public utility operations and regulations, studies on rate, elasticity, productivity, finance and demand projections. The department is also responsible for in-depth analysis of current and potential problems in utility regulation, for coordinating and directing the utilization of research methods and findings in commission cases, for presenting reports regarding the results of research studies, and for preparing economic impact statements on proposed rules.

* * *

During 1983, the Research Department continued to expand its technical support of the industry departments, especially in the area of telecommunications. Extensive resources have been devoted to the proceedings on access charges and local exchange pricing for telephone companies. In addition, staff has been involved with the development of a cost of service methodology for provision of private line telephone service and a critique of the existing fully allocated embedded cost of service methodology prepared by Associated Utility Services, Inc. In addition to the specific input in the telecommunications industry, the Research Department also prepared a report addressing the development of initial rates for water and sewer utilities. This continues to be an issue when water and sewer utilities first become subject to PSC regulation.

In the area of energy, work continued on studies funded by the Florida Energy Trust Fund. The eight original projects in the Residential Conservation Demonstration Program were completed, final project reports were submitted, and the in-house contractual staff prepared a final report for the program. Two of the projects were granted extensions and final reports have now been received on the extended studies. The Demographic Study, which examined how different demographic groups are likely to be affected by various conservation efforts, was also completed during the year. The Simulation Study, consisting of a market survey of the engineering, economic, and demographic characteristics of residential customers and their residences, and simulation of the impacts of various conservation technologies on the residential load curve for specific utilities, continued.

In addition to the Energy Trust Fund studies, Research Department staff participated in a joint study, with the Department of Environmental Regulation, of the potential cost impacts of federal acid rain control legislation on Florida's electric utilities. Also because of frequent confusion and misunderstanding of inflation adjustments, present value analyses, revenue requirement analyses, and benefit-cost analyses in materials presented before the commission, Research staff prepared a major paper discussing these various techniques, with special emphasis on their use in evaluating energy conservation programs.

The informational function of the Research Department was also enhanced during 1983 with the introduction of two new annual statistical reports in the areas of cost control and financing of the electric utility industry. These reports, coupled with the annual publication of statistics on generation, fuel and customer data, will present a comprehensive overview of this industry from a single source.

In addition to these special projects, the Research Department maintains responsibility for preparing economic impact statements on all proposed commission rules. In this regard, 1983 was an especially busy year as commission rules and practices are undergoing extensive review and updating. Over fifty economic impact statements were prepared and presented in hearings before the commission on subjects that ranged from the general purchasing practices of the commission to the impact of the divestiture of AT&T.

WATER AND SEWER DEPARTMENT

Dale Knapp, Director

It is the responsibility of the water and sewer department to enforce the statutes and commission rules and regulations governing the operations of privately owned water and sewer utility systems in those counties subject to PSC jurisdiction. The department is primarily involved with certification of utilities and areas of service as well as regulation of rates and quality of service.

* * *

In early 1983 the commission acquired jurisdiction over Levy County water and sewer systems, increasing to 30 the number of counties regulated by the PSC. There are approximately 700 systems in the 30 counties.

In recognition of this increasing workload, the department added five positions in 1982, bringing the total number of department personnel to 41.

Statutes adopted in 1980 provided for indexing and pass through rate procedures for water and sewer companies. This simplified procedure for modest rate increases can accomplish the needed rate adjustments and avoid the need for a full rate case. Another change in 1980 provided for PSC staff assistance for small water and sewer companies requesting rate increases. The staff-assisted cases increased workload excessively in 1982, but a reorganization within the department has helped facilitate handling of this caseload in 1983.

To better protect customers and developers, each utility is required to review and re-identify its service availability policies and practices and to submit newly executed service agreements. Staff reviews these for uniformity and equitable application. Service availability charges are now established or confirmed in all rate cases including staff assisted cases.

The commission's proposed agency action procedures were used to process a majority of rate cases during 1983. The procedure provides for the staff to make recommendations to the commission and the commission then to issue an order outlining what action it proposes to take. If anyone objects to the proposed action, a hearing can be requested. If not, the proposed action becomes effective. Under this procedure, the water and sewer staff conducts a customer meeting in the utility's service area prior to the staff recommendation in the case. The customer meeting is for staff to advise customers of the nature and reasons for the rate request and to receive comments from customers on the rates and service of the utility.

1983 Water and Sewer Cases

Rate Cases Completed	26
Rate Cases in Progress	28
Staff Assisted Rate Cases Completed	30
Staff Assisted Rate Cases in Progress	30
Certification (all types) Completed	108
Certification (all types) in Progress	42
Indexes Completed	93
Indexes in Progress	16
Pass-throughs Completed	19
Pass-throughs in Progress	2

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Gas

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LOCATION OF DISTRICT OFFICES

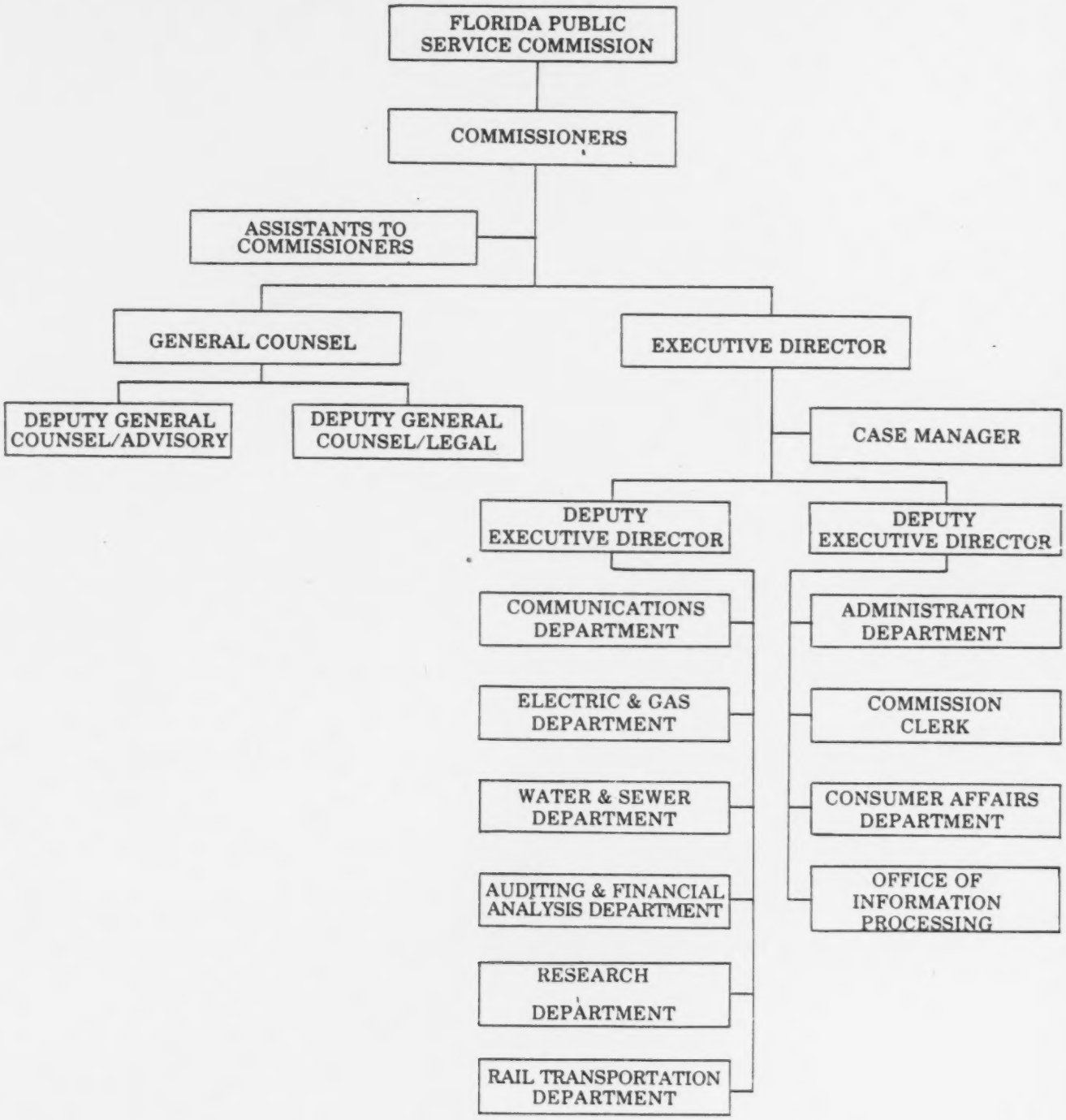
FT. LAUDERDALE (305)467-4618
Robert H. Gore Building
Suite 307
201 W. Broward Blvd.
Ft. Lauderdale, Florida 33301

MIAMI (305)592-0730
8400 NW 52nd Street
Suite 121
Miami, Florida 33166

ORLANDO (305)423-6146
400 West Robinson Street
Suite 512
P. O. Box 1031
Orlando, Florida 32801

TAMPA (813)272-3911
Park Trammell Building
Suite 901
1313 Tampa Street
Tampa, Florida 33602

Organizational Chart of the Commission



NARUC PARTICIPATION

The Commission continued active participation in the National Association of Regulatory Utility Commissioners during 1983. The following commissioners and staff members were on NARUC committees.

COMMITTEES

Executive Committee
Joseph Cresse

Communications
Susan Leisner

Water
Gerald Gunter
John Marks

Electricity
Joseph Cresse

Energy Conservation
Katie Nichols

SUBCOMMITTEE

Accounts
Scott Wilson

Computers
Margaret Perry

Consumer Affairs
George Hanna

Economics
Mary Bane

Public Information
Margaret Ring

Manufacturing & Service Affilitates
Walter D'Haeseleer

Cost Allocations
Tim Devlin

Electricity
Joe Jenkins

Engineering
Walter D'Haeseleer

Gas
C. Edward Mills

Water
Jim Collier
Dale Knapp

Energy Conservation
Joseph McCormick

REGULATED UTILITIES
OPERATING STATISTICS 1983*

	Gross Plant In Service	Operating Revenue	Operating Revenue Deduction	Net Operating Income	End of Period Number of Customers
ELECTRIC:					
Florida Power Corporation	$ 2,859,770,861	$ 1,337,169,499	$1,121,440,506	$ 215,728,993	887,001
Florida Power & Light	7,505,968,849	3,352,534,606	2,849,882,965	502,651,641	2,487,141
Florida Public Utilities	19,175,908	24,403,024	23,088,159	1,314,865	16,710
Gulf Power Corporation	910,675,408	433,409,847	359,320,640	74,089,207	231,750
Reedy Creek Utilities	40,976,234	25,246,491	23,211,465	2,035,026	523
Tampa Electric Company	1,132,476,292	653,893,250	554,883,317	99,009,933	364,668
Total Electric	$12,469,043,552	$ 5,826,656,717	$4,931,827,052	$ 894,829,665	3,987,793
GAS:					
City Gas	$ 56,320,154	$ 36,915,227	$ 34,236,562	$ 2,678,665	80,678
Florida Public Utilities	20,780,666	27,753,028	26,495,639	1,257,389	33,041
Peoples Gas	151,740,000	189,711,000	157,426,000	10,870,000	170,993
All Other Gas (11)**	34,386,000	53,100,000	48,850,000	4,250,000	55,000
Total Gas	$ 263,226,820	$ 307,479,255	$ 267,008,201	$ 19,056,054	339,712
TELEPHONE:					
Central Telephone	$ 297,242,669	$ 113,607,199	$ 75,636,387	$ 37,970,812	157,670
General Telephone	2,380,698,821	862,722,314	701,321,091	161,401,223	1,232,379
North Florida Telephone	100,211,607	29,120,271	20,380,861	8,739,410	38,296
Southern Bell	6,468,700,287	2,811,771,470	1,869,675,035	942,096,435	2,788,447
United Telephone	1,295,537,720	470,321,874	288,635,501	106,418,968	651,657
All Other Telephone Companies (9)**	155,814,000	52,005,000	38,374,000	13,631,000	59,000
Total Telephone	$10,698,205,104	$ 4,339,548,128	$2,994,022,875	$1,270,257,848	4,927,449

*Unaudited Figures
**Estimated Figures

REGULATORY TRUST FUND
APPROPRIATIONS 1977-84

	APPROPRIATION	
FISCAL YEAR	POSITIONS	AMOUNT
1977-78	374	$ 7,596,628
1978-79	403	8,249,238
1979-80	434	9,699,416
1980-81	361	10,249,676*
1981-82	322	12,124,437**
1982-83	332	11,287,379
1983-84	336	13,700,825

NOTE: The amounts reflect the Commission's actual appropriation except for the two years explained by footnotes.

* Reflects transfers of transportation positions and budget to the Department of Transportation.

** Reflects reduction of positions and budget resulting from Sunset Review by the Legislature.

REGULATORY TRUST FUND REVENUES
FISCAL YEAR ENDED JUNE 30, 1983

Recording Fees	$ 96,720.00
Utilities Filing Fees	152,314.00
Transportation Tax	-0-
Utilities Regulatory Tax	8,863,757.00
Miscellaneous Revenue	3,960.00
Refunds and Cancellations	10,958.00
Interest Income	1,406,765.00
U. S. Grants	89,843.00
TOTAL	$10,624,317.00

Fiscal Section

The following workload statistics indicate the activity in the major functions of the Fiscal Section:

	1980	1981	1982	1983
Number of Invoices Processed	4,383	2,211	2,786	3,118
Travel Vouchers	5,015	3,935	3,898	3,660
Payroll Change Orders:				
Regular Employees	1,690	2,330	1,818	1,764
OPS	266	157	116	107
Professional & Technical Service Consultant Contracts	24	46	57	36

Offices Services Section

Building Leases Transacted	8
Purchase Orders Issued	976
Special Orders Processed	878
Supply Orders Processed	439
Notices of Delinquent Telephone Credit Card Call Slips	341
Notices of Delinquent Telephone DDD Call Slips	21
Photocopy Requisitions Processed	3,233
Photocopies Produced (Print Shop)	422,653
Pieces of Outgoing Regular Mail Processed	155,284
Pieces of Special Service Mail Processed	433
Postage Used (Meter)	$50,269
Supply Requisitions Filed	405

Personnel Office

Listed below is a summary of personnel action during 1983:

New Employees	38
Terminations	31
Promotions	51
Pay Adjustments	315
Reassignments	27
Retirements	2
Others	172
TOTAL	636

CASES DOCKETED FOR YEAR 1983

Administrative and PU	13
Electric	76
Gas	26
Energy	12
Telephone	196
Railroad	12
Water	68
Sewer	53
Water and Sewer	145
TOTAL	601

CASES APPEALED TO COURTS

Electric	10
Telephone	3
Water and Sewer	3
	16

ORDERS AND NOTICES ISSUED 1983

Orders	1318
Notices	170

Case Activity Statistics -- January 1983 - December 1983

END OF --- >	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983	June 1983	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983
All Cases Beg. Pd.	505	516	508	523	519	510	522	502	505	467	483	490
New Cases	54	31	84	46	50	69	33	54	41	51	47	41
Restored Cases	1	1	1	1	2	1	0	0	0	16	1	0
Closed Cases (subtract)	44	40	70	51	61	58	53	51	79	51	41	49
All Cases End Pd.	516	508	523	519	510	522	502	505	467	483	490	482
Active	393	389	398	397	383	392	374	377	334	339	341	339
Monitor	42	39	44	42	43	46	44	43	47	44	45	42
Litigation	23	22	23	22	26	26	26	27	28	30	28	28
Conservation	58	58	58	58	58	58	58	58	58	70	76	73
Total All	516	508	523	519	510	522	502	505	467	483	490	482
Ages of Cases												
<6 months	224	193	216	224	216	215	196	200	165	194	202	192
>6 months & < 1 year	62	80	82	73	78	95	96	94	100	94	93	96
>1 year & < 2 years	120	120	108	105	100	88	96	86	78	78	75	71
>2 years & < 3 years	79	84	88	88	88	93	82	94	92	87	34	36
>3 years & < 4 years	13	8	8	6	5	9	11	9	10	8	64	65
>4 years & < 5 years	11	15	13	14	14	14	14	15	13	14	14	14
>5 years & < 6 years	4	5	4	5	5	5	4	4	4	3	3	3
>6 years & < 7 years	0	1	2	2	2	2	2	1	3	3	3	3
>7 years & < 8 years	1	0	0	0	0	0	0	1	1	1	1	1
>8 years	2	2	2	2	2	1	1	1	1	1	1	1
	516	508	523	519	510	522	502	505	467	483	490	482
Cases > 2 Years Old												
Active	32	34	33	34	33	38	30	37	32	28	30	35
Monitor	11	12	16	17	16	16	15	18	20	18	21	19
Litigation	10	12	11	9	10	13	12	13	15	14	12	12
Conservation	57	57	57	57	57	57	57	57	57	57	57	57
Total	110	115	117	117	116	124	114	125	124	117	120	123

**On 7/23/83 a goal was established to reduce, by 6/30/84, the number of Active cases over 2 years old to 7.5% of Total Active cases; for December 1983 this ratio is 35 ÷ 339 = 10.3%.

CASE ACTIVITY 1976 - 1983

	Cases Docketed Calendar Year	Cases Pending January	Cases Active During Year	Cases Pending December	Number Closed	Orders Issued
1976	882	474	1,356	656	700	1,214
1977	1,001	656	1,657	744	913	1,365
1978	1,032	744	1,776	828	948	1,359
1979	1,067	828	1,895	731	1,233	1,822
1980	779	731	1,559	384	1,175	1,186
1981	485	416	918	416	502	791
1982	555	442	990	505	485	982
1983	601	505	1,130	482	648	1,318*

*Number of order issued furnished by the Commission Clerk.

ELECTRIC, GAS, AND TELEPHONE RATE CASES

COMPLETED IN 1983

Electric

Company	Requested	Granted	Effective
Gulf Power Company	$ 36,944,000	$ 3,366,000	1-21-83
Florida Power Corporation	169,225,000	111,330,000	2-27-83
Florida Power & Light Company	256,716,000	237,816,000	9-07-83
Tampa Electric Company	80,189,000	23,539,000	11-16-83

Gas

Company	Requested	Granted	Effective
Seacoast Gas	$ 268,685	$ 173,545	2-05-83
Southern Gas	505,262	336,698	2-25-83
Gainesville Gas	918,387	507,242	3-31-83
Florida Public Utilities	1,080,199	915,806	5-01-83
Gulf Natural Gas	1,339,195	572,861	7-11-83
Peoples Gas System	12,102,111	6,326,005	11-05-83

Telephone

Company	Requested	Granted	Effective
Continental Telephone	$ 3,618	$ 3,618	3-01-83
Southern Bell Telephone	349,443,858	114,698,348	7-04-83
Continental Telephone	1,689,084	725,000	12-01-83

1983 Complaint Activity

ELECTRIC INDUSTRY

	Complaints Logged						Justification				
	Service	Billing or rates	Other	1983 Total	% Change From Previous Year	Complaints Per 1000 Customers	Yes	No	Some	Justified Complaints Per 1000 Customers	Total Closed
FL POWER CORP.	103	131	100	334	(20%)	.403	73	194	66	.088	333
F P & L	479	1020	415	1914	(26%)	.812	344	1213	325	.146	1882
Fl PUBLIC UTIL.	3	1	0	4	NONE	.247	1	3	0	.062	4
GULF POWER	32	41	15	88	(3%)	.403	13	58	19	.060	90
TAMPA ELECTRIC	40	121	52	213	(26%)	.622	53	135	24	.155	212
INDUSTRY TOTAL	657	1314	582	2553	(25%)	.678	484	1603	434	.129	2521
PERCENTAGES	26%	51%	23%				19%	64%	17%		

( ) denotes decrease

Number of customers based on average for 1982

ELECTRIC INDUSTRY COMPARISON

1982 AND 1983

	COMPLAINTS PER 1000 CUSTOMERS		JUSTIFIED COMPLAINTS PER 1000 CUSTOMERS		1982		1983		% OF 1983 COMPLAINTS JUSTIFIED
	1982	1983	1982	1983	% OF TOTAL CUSTOMERS	% OF INDUSTRY COMPLAINTS	% OF TOTAL CUSTOMERS	% OF INDUSTRY COMPLAINTS	
FL POWER CORP.	.52	.40	.11	.09	22.02	12.27	22.04	13.08	21.92
F P & L	1.13	.81	.24	.15	62.68	76.40	62.64	74.97	18.28
FL PUBLIC UTIL.	.26	.25	.19	.06	.43	.12	.43	.16	25.00
GULF POWER	.43	.40	.06	.06	5.79	2.68	5.80	3.45	14.44
TAMPA ELECTRIC	.87	.62	.21	.16	9.09	8.53	9.09	8.34	25.00

1983 COMPLAINT ACTIVITY

GAS INDUSTRY

	Complaints Logged						Justification				
	Service	Billing or rates	Other	1983 Total	% change from previous year	Complaints per 1000 customers	Yes	No	Some	Justified Complaints Per 1000 Customers	Total Closed
Central Florida	1	0	0	1	(50%)	.227	0	1	0	0	1
City Gas	33	58	18	109	(4%)	1.523	26	40	29	.363	95
Florida Public Utilities	2	2	1	5	(58%)	.153	2	1	2	.061	5
Gainesville	1	1	2	4	33%	.255	0	2	2	0	4
Gulf Natural	3	10	2	15	200%	1.527	2	9	4	.204	15
Miller	1	3	2	6	50%	1.172	0	4	2	0	6
Peoples	65	155	36	256	(6%)	1.506	63	128	54	.371	245
Seacoast	0	0	0	0	(100%)	0	0	0	0	0	0
St. Joseph Natural	1	0	0	1	(67%)	.475	1	0	0	.475	1
Southern	1	5	4	10	233%	2.229	4	1	4	.891	9
South Florida	0	0	0	0	(100%)	0	0	0	0	0	0
Timberland	0	2	1	3	NONE	3.240	2	2	0	2.160	4
Industry Total	108	236	66	410	(3%)	1.267	100	188	97	.309	385
Percentages	26%	58%	16%				26%	49%	25%		

( ) denotes decrease

1983 Complaint Activity

TELEPHONE INDUSTRY

	Complaints Logged						Justification				
	Service	Billing or rates	Other	1983 Total	% Change From Previous Year	Complaints Per 1000 Customers	Yes	No	Some	Justified Complaints Per 1000 Customers	Total Closed
CENTRAL	168	79	50	297	14%	1.991	144	90	76	.965	310
CONTINENTAL	31	2	8	41	(5%)	1.938	16	11	16	.756	43
FLORALA	0	1	0	1	(80%)	.702	0	1	1	0	2
GENERAL	750	228	165	1143	(15%)	.971	628	319	216	.533	1163
GULF	1	1	0	2	200%	.335	0	2	0	0	2
INDIANTOWN	2	0	0	2	100%	1.255	1	0	1	.628	2
N. E. FLORIDA	4	0	2	6	NONE	1.508	2	0	3	.503	5
NORTH FLORIDA	29	13	10	52	(24%)	1.395	21	24	13	.563	58
QUINCY	2	0	0	2	(88%)	.278	1	1	0	.139	2
ST. JOSEPH	24	1	4	29	(28%)	1.746	16	8	5	.963	29
SOUTHERN BELL	2304	923	652	3879	(15%)	1.394	1465	1227	1026	.526	3718
SOUTHLAND	2	1	0	3	50%	1.319	3	1	0	1.319	4
UNITED	292	110	98	500	(12%)	.824	291	122	150	.480	563
RESELLERS	14	18	13	45	NA	0	21	5	8	0	34
INDUSTRY TOTAL	3623	1377	1002	6002	(13%)		2609	1811	1515		5935
PERCENTAGES	60%	23%	17%				44%	30%	26%		

( ) denotes decrease
Number of Customers = Florida main stations and trunks as of January 1, 1983

TELEPHONE INDUSTRY COMPARISON

1982 AND 1983

	COMPLAINTS PER 1000 MAIN STATIONS & TRUNKS		JUSTIFIED COMPLAINTS PER 1000 MAIN STATIONS & TRUNKS		1982		1983		% OF 1983 COMPLAINTS JUSTIFIED
	1982	1983	1982	1983	% OF TOTAL MAIN STATIONS	% OF INDUSTRY COMPLAINTS	% OF TOTAL MAIN STATIONS	% OF INDUSTRY COMPLAINTS	
CENTRAL	1.89	1.99	.97	.97	2.90	3.79	3.10	4.97	46.45
CONTINENTAL	2.11	1.94	1.13	.76	.43	.62	.44	.69	37.21
FLORALA	3.48	.70	.70	0	.03	.07	.03	.02	0
FLORIDA	.87	-	.34	-	4.09	2.45	-	-	-
GENERAL	1.18	.97	.64	.533	23.87	19.50	24.46	19.19	54.00
GULF	0	.34	0	0	.12	0	.12	.03	0
INDIANTOWN	.65	1.26	.65	.63	.03	.02	.03	.03	50.00
N. E. FLORIDA	1.61	1.51	1.07	.50	.08	.09	.08	.10	40.00
NORTH FLORIDA	1.91	1.40	.73	.56	.75	.99	.77	.87	36.21
ORANGE CITY	1.66	-	.66	-	.19	.22	-	-	-
QUINCY	2.37	.28	1.53	.14	.15	.25	.15	.03	50.00
ST. JOSEPH	2.48	1.75	1.55	.96	.34	.58	.35	.49	55.17
SOUTHERN BELL	1.61	1.39	.74	.53	59.21	65.80	57.82	65.12	39.40
SOUTHLAND	1.17	1.32	0	1.32	.04	.03	.05	.05	75.00
UNITED	.64	.82	.36	.48	5.75	2.54	12.60	8.39	51.69
WINTER PARK	2.21	-	.84	-	2.01	3.08	-	-	-

Telephone Company Summary

Company	Number of Florida Exchanges	Florida Access Lines	Percent of State Total	Access Line Percent Growth from Previous Year
Central	20	157,670	3.0	9.3
Continental	15	21,799	.4	3.0
Florala	2	1,419	**	.8
General	24	1,234,315	23.4	4.0
Gulf	2	6,090	.12	2.0
Indiantown	1	1,687	**	0
Northeast Florida	2	4,112	**	4.3
North Floria	26	38,588	.73	15.5
Quincy	3	7,289	.14	.15
St. Joseph	14	17,004	.32	4.2
South Georgia	1	66	**	22.2
Southern Bell	102*	3,137,139	59.4	.45
Southland	3	2,321	**	0
United	68	647,662	12.3	6.8
Vista-United	1	2,035	**	1.8
Totals	284	5,279,196	***	2.4

* Number includes South Central Bell's Century
** Less than .1%
*** Does not equal 100% due to rounding

Percent Call Completion Summary by Terminating Company

	1978		1979		1980		1981		1982		1983	
Company	Calls	%	Calls	%	Calls	%	Calls	%	Calls	%	Calls	%
Central - CTC	3103	94.3	8380	96.1	2377	94.8	7959	95.0	1698	96.6	914	96.2
Continental - CTS	1307	96.3	2822	96.7	1140	96.0	2637	97.1	1389	97.0	289	96.5
Florala - FAT	205	94.6	444	97.5	124	92.7	312	96.8	85	94.1	39	100.0
Florida - FTC*	4144	96.7	6352	96.3	3181	96.0	6576	96.5	1984	95.2	-	-
General - GTE	10593	97.4	14267	96.6	8950	96.6	31540	97.3	9194	97.6	3018	97.0
Gulf - GUT	263	98.9	456	98.2	192	94.8	402	96.3	80	96.2	43	93.0
Indiantown - INT	146	100.0	170	97.1	63	92.1	167	95.8	41	82.9	20	100.0
Northeast - NEF	151	99.3	292	97.6	142	96.5	195	93.8	51	90.2	38	97.4
North Florida - NFT	4079	97.2	4679	96.4	1887	96.2	5292	97.1	3577	97.3	491	96.3
Orange City - OCT*	374	94.9	783	95.7	246	95.5	707	95.5	126	97.6	-	-
Quincy - QUT	563	97.2	1290	95.6	429	93.5	876	94.1	155	90.3	74	97.3
St. Joseph - SJT	1276	94.5	2735	95.7	809	94.7	2750	96.4	646	95.8	91	95.6
Southern Bell - SBT	14513	95.9	60596	96.5	7794	92.3	57792	97.1	14317	96.8	1127	97.0
South Georgia - SGT	299	97.0	673	96.7	242	97.5	272	96.0	64	93.8	6	100.0
Southland - SOT	393	95.2	823	95.0	376	96.3	622	95.7	122	93.4	53	98.1
United - UTS*	4021	96.1	6810	96.1	3196	94.9	7677	96.4	2507	95.9	2549	95.9
Vista-United - VFT	298	96.0	644	96.3	222	95.5	416	97.8	94	95.7	61	96.7
West Florida - WFT**	413	97.1	805	96.8	317	95.9	610	96.1	79	96.2	-	-
Winter Park - WPT*	1203	96.2	2461	97.7	758	95.1	3025	95.8	740	92.8	-	-
Totals	47344	96.4	115482	96.4	32445	95.0	129827	96.8	36949	96.7	18813	97.1

* Consolidated as United Telephone (UTS) in 1983.

** Consolidated as Continental Telephone (CTS) in 1983.

RETURN ON AVERAGE BOOK EQUITY

SOUTHERN BELL

YEAR	RETURN	AT&T (MBR)
1960	8.5%	---
1961	8.6	---
1962	8.9	---
1963	8.9	---
1964	9.0	---
1965	9.1	---
1966	9.6	---
1967	9.2	1.43X
1968	8.1	1.30
1969	8.9	1.27
1970	7.8	1.08
1971	8.5	1.05
1972	9.1	1.02
1973	9.6	1.04
1974	8.5	.92
1975	9.2	.93
1976	10.2	1.07
1977	11.2	1.10
1978	12.1	1.03
1979	12.6	.94
1980	14.5	.78
1981	12.4	.82
1982	13.2	.83
1983e	N/A	.96

Source: Moody's Public Utility Manuals
Value Line Investment Survey

RETURN ON AVERAGE BOOK EQUITY

GENERAL TELEPHONE COMPANY

YEAR	RETURN	GTE MBR
1960	7.7%	---
1961	5.6	---
1962	6.4	---
1963	7.6	---
1964	11.7	---
1965	8.9	---
1966	10.6	---
1967	9.7	3.65X
1968	9.4	2.95
1969	10.7	2.15
1970	10.8	1.50
1971	11.9	1.65
1972	10.6	1.44
1973	12.0	1.28
1974	7.2	.98
1975	6.8	.97
1976	9.4	1.19
1977	12.1	1.23
1978	12.4	1.12
1979	13.0	1.01
1980	13.9	.90
1981	16.8	1.00
1982	17.7	1.23
1983e	N/A	1.33

Source: Moody's Public Utility Manuals
Value Line Investment Survey

INVESTOR-OWNED
ELECTRIC UTILITIES
GROWTH AND USE STATISTICS
December 31, 1983

Company	Average Residential Consumption For	Percent Gain in Average Residential Consumption	Residential Customers as of 12/31/83	Percent Gain in Residential Customers	Average Residential Revenue Per KWH Sold	Retail Operating Revenue	Percent Increase In Operating Revenue
Florida Power Corp.	10,388 KWH	4.26 %	792,830	3.47%	7.54¢	$1,122,515,598	10.24%
Fla. Power & Light Co.	10,745	(.11)	2,220,991	3.24	7.24	3,055,007,970	5.73
Florida Public Utilities Co.							
Fernandina	11,194	4.66	6,593	6.61	7.66	11,453,003	(8.97)
Marianna	9,837	1.21	7,616	.74	7.32	12,114,710	17.39
Gulf Power Company	12,253	.69	201,714	2.58	6.84	358,370,887	13.0
Reedy Creek Utilities Company, Inc.	27,493	.45	221	-0-	6.48	25,246,491	37.12
Tampa Electric Company	12,123	4.10	322,195	4.06	7.05	614,201,220	7.05

Parentheses denote negative amount.

1973 - 1983
FLORIDA ANNUAL AVERAGE KWH PER CUSTOMER
RESIDENTIAL ELECTRIC SERVICE - ALL SCHEDULES

YEAR	FP&L	FPC	TECO	GULF	FPU-M[1]	FPU-F[2]	RCU[3]
1973	12024	11459	12852	12638	9264	10198	17000
Change 73/72	6%	12%	10%	7%	8%	11%	N/A
1974	11215	9758	12118	12212	9340	9276	16366
Change 74/73	(7%)	(15%)	(6%)	(3%)	1%	(9%)	(4%)
1975	11127	9701	12150	12187	9575	9785	20177
Change 75/74	(1%)	(1%)	0%	0%	3%	5%	23%
1976	10968	9932	11952	12913	9952	10206	20939
Change 76/75	(1%)	2%	(2%)	6%	4%	4%	4%
1977	11370	10604	12590	13220	10568	10950	23635
Change 77/76	4%	7%	5%	2%	6%	7%	13%
1978	11790	10895	12792	13341	10757	11396	24239
Change 78/77	4%	3%	2%	1%	2%	4%	3%
1979	11354	10496	12271	12868	10217	11199	27056
Change 79/78	(4%)	(4%)	(4%)	(4%)	(5%)	(2%)	17%
1980	11473	10643	12384	12959	10720	11189	28306
Change 80/79	1%	1%	.9%	.7%	5%	(.09%)	5%
1981	11216	10758	12708	12591	10365	11424	29294
Change 81/80	(2.2%)	(1.1%)	2.6%	(2.8%)	(3.3%)	2.1%	3.5%
1982	10757	9964	11646	12169	9719	10696	27618
Change 82/81	(4.1%)	(7.4%)	(8.6%)	(3.4%)	6.2%	6.4%	(5.7%)
1983	10745	10388	12123	12253	9837	11194	17493
Change 83/82	0%	4.3%	4.1%	.7%	1.2%	4.7%	(.4%)
Change 83/73	(10.6%)	(9.3%)	(5.7%)	(3.1%)	6.2%	9.8%	61.8%

[1] Florida Public Utilities Company - Marianna Division

[2] Florida Public Utilities Company - Fernandina Division

[3] Reedy Creek Utilities

CUSTOMER USE AND REVENUE DATA
RESIDENTIAL
1982

REGION	AVERAGE ANNUAL USE KWH	AVERAGE ANNUAL BILL $	AVERAGE REVENUE/KWH ¢
New England			
Total Electric Industry	6,411	532.07	8.30
Investor-owned	6,398	534.38	8.35
Middle Atlantic			
Total Electric Industry	6,220	545.47	8.78
Investor-owned	6,156	548.44	8.91
East North Central			
Total Electric Industry	7,605	497.79	6.55
Investor-owned	7,383	488.69	6.62
West North Central			
Total Electric Industry	8,914	518.17	5.81
Investor-owned	8,137	492.98	6.06
South Atlantic			
Total Electric Industry	10,350	661.32	6.39
Investor-owned	10,373	663.12	6.39
East South Central			
Total Electric Industry	11,872	633.98	5.34
Investor-owned	10,436	604.50	5.79
West South Central			
Total Electric Industry	11,304	726.20	6.42
Investor-owned	11,828	762.67	6.45
Mountain			
Total Electric Industry	8,474	485.20	5.73
Investor-owned	8,393	486.78	5.80
Pacific			
Total Electric Industry	8,168	430.15	5.27
Investor-owned	7,530	457.15	6.07
Alaska & Hawaii			
Total Electric Industry	7,788	768.69	9.87
Investor-owned	6,714	815.48	12.15
Total United States			
Total Electric Industry	8,696	560.85	6.45
Investor-owned	8,234	560.50	6.81
Florida			
Total Electric Industry	10,508	742.45	7.07
Investor-owned	10,677	740.68	6.94

Source: Edison Electric Institute, Statistical Year Book.

INVESTOR-OWNED
TYPICAL ELECTRIC UTILITIES BILL COMPARISON*
RESIDENTIAL SERVICE
December 31, 1983

UTILITY	Minimum Bill or Customer Charge $	100 KWH $	250 KWH $	500 KWH $	750 KWH $	1000 KWH $	1500 KWH $
Florida Power Corporation	$ 5.45	$12.25	$22.44	$39.43	$56.41	$73.40	$107.38
Florida Power & Light Company	5.15	11.60	21.27	37.42	53.54	72.38	109.41
Florida Public Utilities Company**							
Fernandina Division	2.50	10.06	21.37	40.24	59.10	77.97	115.71
Marianna Division	5.00	11.50	21.26	37.52	53.77	70.03	102.54
Gulf Power Company***	5.00	11.02	20.04	35.08	50.11	65.15	95.23
Reedy Creek Utilities Co., Inc.	2.85	8.56	17.14	31.42	45.71	59.99	88.56
Tampa Electric Company	6.50	13.19	23.21	39.93	56.64	73.35	106.78

*Excluding Local Taxes
**Fernandina and Marianna Divisions have an Off-peak Water Heating Schedule.
***Summer/Winter Rates in effect - Winter Rates are shown.

NOTE: December Fuel Adjustments are included.

NATIONWIDE ELECTRIC RATES

CITY/UTILITY	Price - 1000 KWH*
New York, NY - Consolidated Edison Co. #	$131.87
San Diego, Cal. - San Diego Gas & Electric Co. #	120.82
KEY WEST, FL - City of Key West Board +	113.26
SEBRING, FL - Sebring Utilities Commission +	105.75
Boston, Mass. - Boston Edison Co. #	100.34
Philadelphia, PA - Philadelphia Electric Co. #	96.03
Delaware - Delmarva Power & Light#	94.72
Southeastern Michigan - Detroit Edison Co. #	86.84
Atlantic City, NJ - Atlantic City Electric Co. #	83.53
Chicago & Northern Ill. - Commonwealth Edison Co. #	82.44
VERO BEACH, FL - City of Vero Beach +	82.37
TALLAHASSEE, FL - City of Tallahassee +	80.76
Northeast Ohio - Cleveland Electric Illum. Co. #	79.50
OCALA, FL - City of Ocala +	77.67
MIAMI, FL - Florida Power & Light Company #	77.07
TAMPA, FL - Tampa Electric Company #	76.60
ST. PETERSBURG, FL - Florida Power Corporation #	75.52
Houston, TX - Houston Lighting & Power Company #	74.74
JACKSONVILLE, FL - Jacksonville Electric Authority +	72.20
BARTOW, FL - City of Bartow +	70.95
Phoenix, AZ - Arizona Public Service Co. #	69.85
LAKELAND, FL - City of Lakeland +	69.80
Dallas, TX - Dallas Power & Light Company #	69.71
Richmond, VA - Virginia Electric Power Company #	68.82
PENSCOLA, FL - Gulf Power Company #	67.75
ORLANDO, FL - Orlando Utilities Commission +	66.52
Los Angeles, Cal. - Dept. of Water & Power +	65.95
Southern California - Southern California Edison #	65.50
Mississippi - Mississippi Power Company #	64.60
Baltimore, MD - Baltimore Gas & Electric Co. #	64.33
Charlotte, NC - Duke Power Company #	62.48
GAINESVILLE, FL - Gainesville Regional Utilities +	61.91
San Francisco, Cal. - Pacific Gas & Electric #	58.42
Atlanta, GA - Georgia Power Company #	57.57
Albany, GA - Water, Gas & Light Commission +	51.85
Memphis, TN - Memphis Light, Gas & Water +	47.67
Sacramento, Cal. - Sacramento Municipal Util. Dist. +	38.25
Seattle, WA - Seattle City Light +	27.16

+ City Utility
# Investor-Owned Utility

*Residential rate including fuel adjustment and franchise fee, if applicable, for January, 1984.

Source: Jacksonville Electric Authority Survey

NATIONWIDE ELECTRIC RATES

25 MOST EXPENSIVE SERVICE TERRITORIES

CITY AND STATE	COMPANY	1500 KWH* TOTAL COST
New York City, New York	Consolidated Edison Co./NY, Inc.	$233.12
Middleton, New York	Orange & Rockland Utilities, Inc.	206.03
Ramsey, New Jersey	Rockland Electric Co.	200.76
Nantucket, Massachusetts	Nantucket Electric Co.	199.44
Wailuku, Hawaii	Maui Electric Co.	198.40
Dover Township, New Jersey	Jersey Central Power & Light Co.	191.25
Hilo, Hawaii	Hawaii Electric Light Co.	188.58
San Diego, California	San Diego Gas & Electric Co.	188.38
Lassen, California	CP National Corporation	180.84
Long Beach, New York	Long Island Lighting Co.	177.22
Newark, New Jersey	Public Service Electric & Gas	171.51
Bridgeton, New Jersey	Atlantic City Electric Co.	169.29
Wilmington, Delaware	Delmarva Power & Light Co.	165.90
Poughkeepsie, New York	Central Hudson Gas & Electric Corp.	163.33
El Paso, Texas	El Paso Electric Co.	158.30
Exmore, Virginia	Delmarva Power & Light Co.	157.77
Springfield, Massachusetts	Western Massachusetts Electric Co.	157.44
Cleveland, Ohio	Cleveland Electric Illuminating Co.	156.27
Honolulu, Hawaii	Hawaiian Electric Co.	154.97
Chicago, Illinois	Commonwealth Edison Co.	154.92
Mohave County, Arizona	Citizens Utilities Company	151.41
Bridgeport, Connecticut	United Illuminating	149.66
Manchester, New Hampshire	Public Service Company of New Hampshire	148.55
Las Cruces, New Mexico	El Paso Electric Co.	147.72
Boston, Massachusetts	Boston Edison Company	146.37

25 LEAST EXPENSIVE SERVICE TERRITORIES

CITY AND STATE	COMPANY	1500 KWH* TOTAL COST
Noxon, Montana	Washington Water Power	$30.00
Lewiston, Idaho	Washington Water Power Co.	31.32
Spokane, Washington	Washington Water Power Co.	44.01
Kalispell, Montana	Pacific Power & Light Co.	44.34
Ontario, Oregon	Idaho Power Co.	52.08
Portland, Oregon	Pacific Power & Light Co.	52.99
Boise, Idaho	Idaho Power Co.	53.21
Wallace, Idaho	Citizens Utilities	53.43
Yakima, Washington	Pacific Power & Light Co.	53.85
La Grande, Oregon	CP National Corporation	54.21
Bellevue, Washington	Puget Sound Power & Light Co.	55.11
Portland, Oregon	Portland General Electric Co.	55.50
Sandpoint, Idaho	Pacific Power & Light Co.	57.22
Franklin, North Carolina	Nantahala Power & Light Co.	60.49
Billings, Montana	Montana Power Co.	63.00
Cheyenne, Wyoming	Cheyenne Light, Fuel & Power Co.	68.40
Yreka, California	Pacific Power & Light Co.	68.70
Casper, Wyoming	Pacific Power & Light Co.	68.76
Washington, D. C.	Potomac Electric Power Co.	72.17
Ashland, Kentucky	Kentucky Power Co.	76.75
Duluth, Minnesota	Minnesota Power & Light Co.	80.62
State College, Pennsylvania	West Pennsylvania Power Co.	80.69
Rutland, Vermont	Central Vermont Public Service Co.	81.39
Keokuk, Iowa	Union Electric Co.	81.56
La Crosse, Wisconsin	North States Power Co.	81.86

* Total Cost = 500 KWH Per Month (June, July and August, 1983)

Source: Data provided to the NARUC by its member State Commissions.

FUEL COST PER UNIT AS PURCHASED*

	Heavy Oil		Light Oil		Coal		Natural Gas	
	$/Bbl	¢/Kwh	$/Bbl	¢/Kwh	$/Ton	¢/Kwh	$/McF	¢/Kwh
1974	11.10	1.79	12.27	3.59	16.70	0.73	0.60	0.66
1975	11.58	1.87	12.76	3.74	23.39	1.02	0.74	0.81
1976	11.34	1.83	13.63	3.99	25.52	1.12	0.85	0.94
1977	13.27	2.14	15.00	4.40	29.38	1.29	0.88	0.97
1978	12.30	1.98	15.49	4.54	34.63	1.52	1.04	1.14
1979	18.23	2.94	29.40	8.62	38.43	1.68	1.20	1.32
1980	23.36	3.77	33.23	9.74	42.61	1.86	1.31	1.44
1981	28.32	4.75	46.67	8.32	53.23	2.32	2.15	2.84
1982	27.73	4.73	51.27	12.76	56.69	2.44	2.21	2.39
1983	27.52	4.59	35.34	13.34	57.84	2.45	2.91	4.03

*FP&L, FPC, GULF and TECO

Sources: 1974-1980 FPC Form 423 as compiled by the Department of Energy in the Cost and Quality Annuals.

1981-1983 Monthly Fuel Adjustment Filings, Schedule A-6

RESIDENTIAL ELECTRIC RATE CHANGES

1983

Fuel Cost in ¢/kwh

Bill in $ for 1000 kwh

No Changes For Months Not Listed

	January		February		April		May		June		September		October		November	
	Fuel	Bill	Fuel	Bill	Fuel	Bill	Fuel	Bill	Fuel	Bill	Fuel	Bill	Fuel	Bill	Fuel	Bill
FP&L	2.737	66.07	no change		2.781	66.58	no change		no change		2.281	67.21	2.596	72.16	no change	
FPC	3.442	70.56	3.442	78.53	2.892	73.24	no change		no change		no change		2.856	73.40	no change	
TECO	2.939	71.98	no change		2.631	69.15	no change		2.315	66.45	no change		2.562	69.75	2.562	73.31
GULF	2.931	65.46	no change		2.957	66.38	2.957	72.11	no change		no change		2.830	65.15	no change	

ENERGY AUDIT GOALS
PROGRAM-TO-DATE THROUGH SEPTEMBER 1983

Utility	Audit Goals	Actual Audit	Percent Achieved
Florida Power & Light	156,992	187,839	119.65%
Florida Power Corp.	57,630	85,666	148.65%
Gulf Power	20,416	26,323	128.93%
Tampa Electric	28,180	30,222	107.25%
Gainesville	3,113	4,406	141.53%
Jacksonville	19,125	7,335	38.35%
Lakeland	5,166	3,517	68.08%
Orlando	7,513	4,031	53.65%
Ocala	2,042	875	42.0%
Tallahassee	4,075	4,606	113.03%
Clay Coop.	5,128	5,363	104.58%
Lee Coop.	4,756	3,708	77.96%
Withlachoochee River Coop.	3,315	240	7.23%
Total for State (PURPA Utilities only)	317,451	364,131	114.72%

COMMISSION REGULATED
FLORIDA ELECTRIC AND GAS UTILITIES
CONSERVATION COST RECOVERY FOR 1983

Utility	Amount Spent*	Average Recovery Factor for KWH or Therm
Florida Power & Light	$29,711,772	.067¢/KWH
Florida Power Corp.	14,495,299	.080/KWH
Tampa Electric	9,064,357	.086/KWH
Gulf Power	3,068,437	.050/KWH
Florida Public Utilities**	138,226	.046/KWH
Peoples Gas System, Inc.	1,156,301	.268/THERM
City Gas Company	890,132	1.313/THERM
Central Florida Gas	101,485	.247/THERM
Total	$58,626,009	

*January - September are actual amounts
October - December are projected amounts.

**Marianna & Fernandina Beach combined

PURPA UTILITIES
GIGAWATT-HOUR — PERFORMANCE VS GOAL

Utility	1980 Actual	1980 Goal	1980 Diff	1981 Actual	1981 Goal	1981 Diff.	1982 Actual	1982 Goal	1982 Diff.
Florida Power and Light	41705	41705	0	42844	43768	-924	43548	45771	-2223
Florida Power Corporation	16763	16775	-12	17277	17549	-272	16462	18284	-1822
Gulf Power Company	5574	5574	0	5650	5751	-101	5687	5939	-252
Tampa Electric Company	11265	11265	0	11308	11729	-341	10586	12175	-1589
Gainesville Regional Utilities	836	836	0	870	872	-2	873	913	-40
Jacksonville Elec. Auth.	4669	4582	87	4704	4667	37	4808	4730	78
City of Lakeland	1244	1244	0	1324	1297	27	1280	1345	-65
City of Ocala	518	518	0	558	547	11	556	575	-19
Orlando Utilities Comm	2331	2331	0	2404	2385	19	2403	2426	-23
City of Tallahassee	1211	1211	0	1263	1250	13	1242	1292	-50
Clay Electric Coop.	—	—	—	934	902	32	922	940	-18
Lee County Coop.	1039	1039	0	1120	1160	-40	1127	1283	-156
Withlacoochee Coop.	765	747	18	872	847	25	865	917	-52
TOTALS	87920	87827	93	91208	92724	-1516	90359	96598	-6231
Investor Owned Utility, but not PURPA									
Florida Public Utilities									
Marianna Division	186	185	1	184	188	-4	158	190	-32
Fernandina	171	—	—	177	—	—	183	147	36

(Minus [-] means utility Performance is less than goal

PURPA UTILITIES
GIGAWATT-HOUR — PERFORMANCE VS GOAL

Utility	1983 Estimated	1983 Goal	1983 Diff	1984 Projected	1984 Goal	1984 Diff.	1985 Projected	1985 Goal	1985 Diff.
Florida Power and Light	44325	47449	-3124	46013	48733	-2720	47811	49864	-2053
Florida Power Corporation	16937	18956	-2019	17678	19559	-1881	17825	20175	-2350
Gulf Power Company	5997	6135	-138	6224	6316	-92	6366	6485	-119
Tampa Electric Company	10927	12561	-1634	11368	12898	-1530	11589	13229	-1640
Gainesville Regional Utilities	919	947	-28	934	975	-41	964	1003	-39
Jacksonville Elec. Auth.	4886	4789	97	5061	4846	215	5195	4912	283
City of Lakeland	1323	1388	-65	1371	1428	-57	1404	1468	-64
City of Ocala	580	599	-19	601	621	-20	622	640	-18
Orlando Utilities Comm	2531	2460	71	2537	2493	44	2537	2523	14
City of Tallahassee	1314	1336	-22	1356	1380	-24	1396	1408	-12
Clay Electric Coop.	1002	976	26	952	1011	-59	976	1044	-68
Lee County Coop.	1245	1382	-137	1314	1464	-150	1384	1535	-151
Withlacoochee Coop.	1022	973	49	1103	1021	82	1173	1067	106
TOTALS	93008	99951	-6943	96512	102745	-6233	99242	105353	-6111
Investor Owned Utility, but not PURPA									
Florida Public Utilities									
Marianna Division	191	191	0	195	194	1	199	197	2
Fernandina	177	150	27	132	153	-21	135	157	-22

(Minus [-] means utility Performance is less than goal

MUNICIPAL UTILITIES
GIGAWATT-HOUR -- PERFORMANCE VS GOAL

Utility	1980 Actual	1980 Goal	1980 Diff	1981 Actual	1981 Goal	1981 Diff.	1982 Actual	1982 Goal	1982 Diff.
City of Alachua	25	25	0	27	27	0	25	29	-4
City of Bartow	178	178	0	182	184	-2	175	188	-13
City of Blountstown	20	20	0	19	20	-1	18	20	-2
City of Bushnell	11	11	0	12	12	0	11	12	-1
City of Chattahoochee	--	--	0	--	--	0	--	--	0
City of Clewiston	70	70	0	69	72	-3	68	72	-4
City of Fort Meade	31	31	0	32	31	1	30	31	-1
Ft. Pierce Utilities Authority	378	378	0	391	393	-2	383	403	-20
City of Green Cove Springs	52	52	0	52	53	-1	53	54	-1
Havana Power and Light	--	--	0	--	--	0	--	--	0
Homestead Power Plant	194	194	0	201	204	-3	211	210	1
City of Jacksonville Beach	240	240	0	248	257	-9	249	272	-23
City of Key West	340	340	0	369	347	22	359	353	6
City of Kissimmee	257	257	0	282	279	3	294	306	-12
Lakeworth Utilities Authority	287	287	0	292	295	-3	286	300	-14
City of Leesburg	237	237	0	251	247	4	248	254	-6
City of Moore Haven	11	11	0	10	11	-1	10	10	0
City of Mount Dora	--	--	0	--	--	0	--	--	0
City of Newberry	11	11	0	11	12	-1	10	12	-2
City of New Smyrna Beach	150	150	0	155	156	-1	153	160	-7
City of Quincy	--	--	0	--	--	0	--	--	0
City of St., Cloud	98	98	0	105	104	1	104	108	-4
Sebring Utilities Commission	115	115	0	120	120	0	116	126	-10
City of Starke	41	41	0	42	42	0	41	43	-2
City of Vero Beach	360	360	0	376	382	-6	367	401	-34
City of Wauchula	46	46	0	47	47	0	44	47	-3
City of Williston	--	--	0	--	--	0	--	--	0
TOTALS	3152	3152	0	3293	3295	-2	3255	3411	-156

(Minus [-] means utility performance is less than goal.

MUNICIPAL UTILITIES
GIGAWATT-HOUR — PERFORMANCE VS GOAL

Utility	1983 Estimated	1983 Goal	1983 Diff	1984 Projected	1984 Goal	1984 Diff.	1985 Projected	1985 Goal	1985 Diff.
City of Alachua	27	31	-4	28	32	-4	29	33	-4
City of Bartow	180	191	-11	183	194	-11	187	197	-10
City of Blountstown	20	20	0	20	20	0	20	20	0
City of Bushnell	12	13	-1	12	13	-1	12	14	-2
City of Chattahoochee	—	—	0	—	—	0	—	—	0
City of Clewiston	68	73	-5	70	74	-4	72	75	-3
City of Fort Meade	31	32	-1	32	32	0	32	32	0
Ft. Pierce Utilities Authority	398	412	-14	412	420	-8	426	431	-5
City of Green Cove Springs	55	55	0	56	56	0	57	57	0
Havana Power and Light	—	—	0	—	—	0	—	—	0
Homestead Power Plant	223	216	7	228	221	7	234	225	9
City of Jacksonville Beach	259	284	-25	275	295	-20	284	305	-21
City of Key West	344	359	-15	347	366	-19	349	371	-22
City of Kissimmee	318	329	-11	348	349	-1	364	366	-2
Lakeworth Utilities Authority	303	305	-2	312	311	1	321	319	2
City of Leesburg	255	261	-6	264	266	-2	272	271	1
City of Moore Haven	10	10	0	10	11	-1	10	11	-1
City of Mount Dora	—	—	0	—	—	0	—	—	0
City of Newberry	11	12	-1	11	12	-1	12	13	-1
City of New Smyrna Beach	162	165	-3	171	171	0	178	177	1
City of Quincy	—	—	0	—	—	0	—	—	0
City of St., Cloud	110	112	-2	115	115	0	120	118	2
Sebring Utilities Commission	120	130	-10	131	134	-3	134	136	-2
City of Starke	43	43	0	44	43	1	45	44	1
City of Vero Beach	385	422	-37	403	443	-40	421	464	-43
City of Wauchula	45	47	-2	46	48	-2	47	48	-1
City of Williston	—	—	0	—	—	0	—	—	0
TOTALS	3379	3522	-143	3518	3626	-108	3626	3727	-101

(Minus [-] means utility performance is less than goal.

RURAL ELECTRIC UTILITIES
GIGAWATT-HOUR -- PERFORMANCE VS GOAL

Utility	1980			1981			1982		
	Actual	Goal	Diff	Actual	Goal	Diff.	Actual	Goal	Diff.
Central Florida Elec	126	124	2	133	130	3	133	136	-3
Choctawhatchee Elec	159	159	0	167	167	0	178	173	5
Escambia River Elec	93	93	0	8	95	-87	92	96	-4
Florida Keys Elec	338	--	--	328	328	0	342	342	0
Glades Elec	184	113	71	134	117	17	124	120	4
Gulf Coast Elec	--	--	0	--	--	0	101	90	11
Okefenokee Rural Ele	69	69	0	74	72	2	76	75	1
Peace River Elec	141	141	0	153	147	6	159	154	5
Sumter Elec	440	440	0	475	464	11	452	489	-37
Suwanee Valley Elec	125	--	--	125	--	--	128	133	-5
Talquin Elec	331	331	0	369	344	25	376	356	20
Tri-County Elec	93	101	-8	99	101	-2	105	104	1
West Florida Elec	188	188	0	189	190	-1	217	195	22
	2287	1759	65	2254	2155	-26	2483	2463	20

(Minus [-] means utility performance is less than goal.

RURAL ELECTRIC UTILITIES
GIGAWATT-HOUR -- PERFORMANCE VS GOAL

Utility	1983 Estimated	1983 Goal	1983 Diff	1984 Projected	1984 Goal	1984 Diff.	1985 Projected	1985 Goal	1985 Diff.
Central Florida Elec	141	142	-1	149	148	1	157	153	4
Choctawhatchee Elec	189	178	11	200	182	18	210	187	23
Escambia River Elec	96	98	-2	101	99	2	106	100	6
Florida Keys Elec	355	357	-2	371	373	-2	390	388	2
Glades Elec	131	125	6	138	130	8	145	134	11
Gulf Coast Elec	116	92	24	128	93	35	138	94	44
Okefenokee Rural Elec	77	78	-1	84	81	3	88	85	3
Peace River Elec	172	160	12	186	166	20	198	172	26
Sumter Elec	507	501	6	537	513	24	569	519	50
Suwanee Valley Elec	153	138	15	162	143	19	171	147	24
Talquin Elec	399	368	31	421	379	42	445	388	57
Tri-County Elec	111	107	4	117	109	8	124	112	12
West Florida Elec	234	197	37	252	201	51	264	204	60
	2681	2541	140	2846	2617	229	3005	2683	322

(Minus [-] means utility performance is less than goal.

FLORIDA NUCLEAR PLANTS

Utility	Plant Name	Unit No.	Location	Date Placed In Service	Net Capability-MW[1] Summer	Net Capability-MW[1] Winter	Total Cost (Millions)	Average No. of Employees
FP&L	Turkey Point	3	Dade County	12/72	666	696	$293.7[2]	402[2]
FP&L	Turkey Point	4	Dade County	9/73	666	696		
FP&L	St. Lucie	1	St. Lucie County	12/76	822	838	$505.2	229
FPC	Crystal River	3	Citrus County	3/77	717	731	$376.5	192
FP&L	St. Lucie	2	St. Lucie County	8/83	786	800	$1,420	220

[1] Megawatts

[2] Total for both Turkey Point plants

RETURN ON AVERAGE BOOK EQUITY, MARKET TO BOOK RATIO (MBR)
AND AUTHORIZED RETURN ON EQUITY

	FPC			FP&L			TECO				GULF		
YEAR	EARNED	AUTHORIZED(4)	(MBR)	EARNED	AUTHORIZED(4)	(MBR)	UTILITY ONLY	EARNED(1)	AUTHORIZED(4)	(MBR)	EARNED	AUTHORIZED(4)	(MBR)(2)
1960	11.8%		(3.06X)	13.4%		(3.80X)		13.3%		(3.52)	14.0%		
1961	11.9		(3.72)	12.4		(4.28)		12.1		(4.41)	13.2		
1962	13.1		(3.10)	12.8		(3.61)		14.1		(3.83)	13.9		
1963	11.9		(3.25)	13.2		(3.73)		10.1		(3.00)	14.1		
1964	12.1		(3.26)	13.7		(3.78)		14.9		(4.55)	14.9		
1965	12.3		(3.17)	13.0		(3.44)		16.3		(4.41)	13.7		
1966	13.1		(2.82)	13.5		(2.92)		17.7		(4.10)	15.1		
1967	13.4		(2.74)	12.3		(2.76)		17.0		(3.82)	16.6		(2.16)
1968	14.0		(2.40)	12.1		(2.56)		13.8		(3.18)	17.0		(2.00)
1969	15.2		(2.46)	12.2		(2.31)		14.6	13.75	(2.63)	16.9		(1.84)
1970	14.9		(2.31)	11.9		(1.95)		14.4		(2.21)	17.1		(1.52)
1971	13.6		(2.12)	14.1		(1.82)		9.4	15.5	(2.34)	15.8		(1.42)
1972	13.8	13.75	(1.77)	13.1	12.875	(1.76)		14.5		(1.94)	14.9	14.13	(1.18)
1973	12.2		(1.32)	13.4		(1.40)		13.4		(1.40)	13.4		(.98)
1974	8.3	13.5	(.71)	11.1		(.86)	7.1	11.2	15.5	(1.00)	5.6		(.72)
1975	13.7	14.6	(.74)	13.2	13.75	(.82)	9.9	14.1	14.75	(1.00)	19.6	14.25	(.71)
1976	10.6		(.95)	8.7		(.90)	10.7	12.9		(1.22)	13.0		(.91)
1977	14.9		(.97)	13.2	13.75	(.87)	11.1	13.0	13.75	(1.21)	12.3	14.25	(.99)
1978	13.7	14.3	(.90)	14.5		(.85)	12.8	15.1		(1.11)	15.0	13.50	(.77)
1979	11.4		(.81)	12.6		(.79)	9.4	12.0		(1.00)	12.3		(.77)
1980	9.1		(.72)	11.4		(.69)	13.5	16.5	14.5	(.84)	10.7		(.73)
1981	15.2	15.4	(.78)	12.0	15.85	(.79)	14.4	14.8		(.97)	11.4	14.75	(.72)
1982	11.7		(.91)	13.0		(.89)	14.4	11.8	15.75	(.94)	16.7	15.85	(.82)
1983(3)	13.8	15.85	(1.06)	13.9		(1.01)	N/A	14.2		(1.08)	N/A		(.95)

1 - Includes Relatively Large Amounts of Non-utility Earnings
2 - MBR is for the Southern Company, as Gulf's Stock is 100% Owned by Southern
3 - Estimated
4 - Range of ± 1%

Source: 1960-66 Data: Moody's Public Utility Manuals
1967-83 Data: Value Line

GAS UTILITIES
TYPICAL GAS BILL COMPARISON
RESIDENTIAL SERVICE
DECEMBER 31, 1983

UTILITY	Bill Amount	10 Therms	25 Therms	40 Therms	50 Therms	100 Therms
Central Florida Gas Corporation	$3.00	8.58	16.96	25.33	30.92	58.83
City Gas Company of Florida	4.00	9.03	16.59	24.14	29.17	54.35
Florida Public Utilities	4.00	9.21	17.03	24.86	30.07	56.14
Gainesville Gas Company	6.00	10.44	17.09	23.74	28.18	50.36
Gulf Natural Gas Company	4.00	8.49	15.24	21.98	26.47	48.94
Indiantown Gas Company	2.50	6.73	14.71	22.18	26.99	49.47
Miller Gas Company	4.00	11.13	21.84	32.55	39.69	75.38
Peoples Gas System, Inc.	3.00	8.55	16.88	25.21	30.76	58.51
Plant City Natural Gas Company	3.00	9.26	18.66	28.05	34.31	65.62
St. Joe Natural Gas Co., Inc.	3.00	6.37	11.43	16.48	19.85	36.71
Seacoast Gas Company	5.00	12.10	22.75	33.41	40.52	76.03
Southern Gas Company	5.00	10.13	17.83	25.52	30.66	56.31
South Florida Natural Gas Company	3.00	9.05	18.12	27.19	33.24	63.50
Timberland Utilities	3.00	8.82	17.56	26.30	32.12	61.25

Natural Gas Accidents

Year	No. of System Reporting	No. of Incidents	No. of Injuries	No. of Fatalities	Construction Damage or Negligence
1973	7	12	4	0	11
1974	5	10	7	0	10
1975	2	3	0	0	3
1976	4	5	2	2	4
1977	3	9	0	0	4
1978	3	4	1	0	3
1979	7	14	5	1	7
1980	12	17	6	6	13
1981	13	29	36	1	14
1982	12	29	12	2	11
1983	6	20	8	0	14